

Section A – Financial Statements and Credit Ratings

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SANEF

Société Anonyme

30, boulevard Gallieni

92130 Issy Les Moulineaux

**Attestation of one of the SANEF's statutory
auditors on the financial information prepared
in the context of a tender initiated by the
Indiana Finance Authority / Joint Board**

SANEF

Société Anonyme

30, boulevard Gallieni
92130 Issy Les Moulineaux

Attestation of one of the SANEF's statutory auditors on the financial information prepared in the context of a tender initiated by the Indiana Finance Authority / Joint Board

To the Managing Director,

In our capacity as one of the statutory auditors of SANEF and at your request, we have prepared this attestation relating to the financial information contained in the attached documents, and prepared in the context of the tender "LSIORB Toll Services Project" initiated by the Indiana Finance Authority / Joint Board.

This information was prepared under the responsibility of SANEF's Chief Financial Officer, based on the SANEF's consolidated financial statements for the years ended December 31, 2010, 2011 and 2012.

Our role is to attest this information.

In the context of the role as statutory auditors, our predecessors have audited the consolidated financial statements of SANEF for the years ended December 31, 2010 and 2011 and Deloitte & Associés has audited the consolidated financial statements of SANEF for the year ended December 31, 2012. These audits were conducted in accordance with professional standards applicable in France, and were planned and performed for the purpose of forming an opinion on the consolidated financial statements of SANEF taken as a whole and not on any individual component of the accounts used to determine the information. Accordingly, the audit tests and samples were not carried out with this objective and our predecessors and ourselves do not express any opinion on any components of the accounts taken individually.

Furthermore, we have not performed any procedures to identify, any events subsequent to the issuance of our report dated March 29, 2013 on the consolidated financial statements of SANEF for the year ended December 31, 2012.

Our examination, which constitutes neither an audit nor a review, was performed in accordance with professional standards applicable in France. For the purpose of this attestation, our work consisted in verifying the correct Euro to US Dollar conversion of all the amounts contained in the attached documents and based on the amounts expressed in Euro extracted from the consolidated financial statements of SANEF for the years ended December 31, 2010, 2011 and 2012, using the currency exchange rate provided by the “*Banque de France*” on its website www.banque-france.fr on the date hereof.

On the basis of our work, we have nothing to report on the financial information of SANEF in US Dollars contained in the attached documents.

This attestation has been prepared solely for your attention within the context described above and may not be used, distributed or referred to for any other purpose.

In our capacity as one of the statutory auditors of SANEF, our responsibility towards SANEF and its shareholders is defined by French law and we do not accept any extension of our responsibility beyond that set out in French law. In no event shall Deloitte & Associés and the joint statutory auditors be held responsible for any damage, loss, cost or expense resulting from any fraudulent acts, misrepresentation of willful misconduct on the part of the directors, management or employees of SANEF.

This attestation is governed by French law. The French courts have exclusive jurisdiction in relation to any claim, difference or dispute which may arise out of or in connection with our engagement letter or this attestation. Each party irrevocably waives any right it may have to object to an action being brought in any of those Courts, to claim that the action has been brought in an inconvenient forum or to claim that those Courts do not have jurisdiction.

Neuilly-sur-Seine, November 29, 2013

One of the Statutory Auditors

Deloitte & Associés



Francisco SANCHEZ

Appendices: - Extracts from the SANEF from the consolidated financial statements of SANEF for the years ended December 31, 2010, 2011 and 2012 (in US Dollars):

- consolidated statements of comprehensive income,
- consolidated statements of financial position,
- consolidated statements of changes in equity and
- consolidated statements of cash flows.

[REDACTED]

[REDACTED]

<i>(in \$ thousands)</i>	2012	2011	2010
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

	2012	2011	2010
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]



Sylvia FONSECA,

SANEF's Chief Financial Officer


[REDACTED]

[REDACTED]

<i>(in \$ thousands)</i>	2012	2011 (*)
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

<i>(in \$ thousands)</i>	2011	2010
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

Sylvia FONSECA, 

SANEF's Chief Financial Officer

[REDACTED]

[REDACTED]

[REDACTED] (in \$ thousands)	December 31, 2012	December 31, 2011	December 31, 2010
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]	December 31, 2012	December 31, 2011	December 31, 2010
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Sylvia FONSECA,



SANEF's Chief Financial Officer

[REDACTED]

[REDACTED]

(in \$ thousands)							

(in \$ thousands)							

[REDACTED]

(in \$ thousands)							

[REDACTED]

Sylvia FONSECA, 
SANEF's Chief Financial Officer



December 4, 2013

Indiana Finance Authority
One North Capitol Avenue,
Suite 900 Indianapolis,
Indiana 46204
Attention: Ms. Silvia Perez

Re: Book 2

Dear Sirs,

With reference to Book 2 of the Indiana Financial Authority RFQ for the Louisville-Southern Indiana Ohio River Bridges Project, sanef operations america, inc. confirms to you as follows:

1. sanef S.A., a société anonyme formed and existing under the laws of France, is the ultimate parent company of the Proposer, and is the Financially Responsible Party. All financial information included relates to sanef S.A.
2. sanef operations america, inc. (the Proposer) has been in existence for less than three years. It was formed in November 2013. As such, no financial statements exist for sanef operations america, inc.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Laurie Baird', is written over a horizontal line.

Laurie BAIRD

Secretary



December 4, 2013

Indiana Finance Authority
One North Capitol Avenue,
Suite 900 Indianapolis,
Indiana 46204
Attention: Ms. Silvia Perez

Re: Financially Responsible Party Letter of Support

Dear Sirs,

With reference to Book 2, Section A(e) of the Indiana Financial Authority RFQ for the Louisville-Southern Indiana Ohio River Bridges Project, sanef S.A. confirms to you as follows:

1. sanef S.A., a société anonyme formed and existing under the laws of France, is the ultimate parent company of the Proposer, sanef operations america, inc.;
2. sanef S.A. consents to act as the Proposer's Financially Responsible Party; and
3. sanef S.A. will financially support all the obligations of the Proposer/Equity Member of Proposer as applicable with respect to the Project.

Sincerely,



M. Francois GAUTHEY
Chief Executive Officer



December 4, 2013

Indiana Finance Authority
One North Capitol Avenue,
Suite 900 Indianapolis,
Indiana 46204
Attention: Ms. Silvia Perez

Dear Sirs,

We confirm to you our ability and intent to provide continued financial support, as needed, to our subsidiary Sanef its SAS and its subsidiary Sanef Operations America, Inc., for the foreseeable future.

This confirmation is provided to you for the purpose of the Louisville-Southern Indiana Ohio River Bridges Project Joint Board's request for qualification.

Sincerely,


M. François GAUTHEY
Chief Executive Officer

Section A – Statements of Credit Ratings

1) The Proposer **Sanef Operations America Inc.** provides the following list of each entity for which financial statements have been provided:

1. Sanef S.A

2) The Proposer **Sanef Operations America Inc.** provides the statement that the following entity has a credit rating:

1. Sanef S.A

3) The Proposer **Sanef Operations America Inc.** provides the following a copy of the current credit rating for the following entity:

1. Sanef S.A.

This credit rating has been provided by Moody's Financials and can be located in the **Section A – Credit Ratings.**

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You Searched For:

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Refine by

MARKET SEGMENT

[Infrastructure & Project Finance \(1\)](#)

[Structured Finance \(1\)](#)

Organizations		Research
Results 1 - 2 Of 2		Results per page: <input type="button" value="10"/> Page 1 Of 1
Name		Market Segment
SANEF S.A.		Infrastructure & Project Finance
Long Term Rtg	Baa1, 24 Jul 2013	Industry
Long Term Watch	Not on Watch	TRANSPORTATION SERVICES: TOLL ROADS
ST Issuer Level Rtg		Domicile
ST Issuer Level Watch		FRANCE
Outlook	Negative, 15 Jun 2012	
FCC 130 ? SANEF LOAN REPACK		Structured Finance
Results 1 - 2 Of 2		Results per page: <input type="button" value="10"/> Page 1 Of 1

Sanef

30, BOULEVARD Gallieni
92130 Issy-les –Moulineaux

In compliance with the assignment entrusted to us by your General Meeting, we hereby report to you, for the year ended December 31, 2010, on:

- the audit of the accompanying consolidated financial statements of Sanef;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

I – Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group at December 31, 2010 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Without calling into question the opinion expressed above, we draw your attention to:

- note 2.3 of the appendix to the consolidated financial statements, which presents the change of accounting method regarding the IFRIC 12 interpretation relative to the posting of concession contracts.
- one year extension of the duration of two concessions carried by Sanef and SAPN after the signing, on 25 January 2010, of an agreement with the State as described in note 1 to the consolidated financial statements.

II – Justification of our assessments

In accordance with the requirements of article L.823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matter:

Note 2.3 of the appendix to the consolidated financial statements presents the change of accounting method that occurred during the fiscal year after the application of the IFRIC 12 interpretation. In

keeping with the IAS 8 standard, the comparative information for fiscal 2009, presented in the consolidated financial statements, was restated in order to take into account, on a forward-looking basis, the application of this new interpretation. Accordingly, the comparative information differs from the consolidated financial statements published for fiscal 2009.

As part of our assessment of the accounting principles used by your company, we examined the correct restatement of the financial statements for fiscal 2009 and the information provided in this regard in note 2.3 to the consolidated financial statements.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III – Specific verification

As required by law and in accordance with professional standards applicable in France, we have also verified the information presented in the Group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine, March 31, 2011

The Statutory Auditor
PricewaterhouseCoopers Audit

Xavier Belet



Sanef Group

CONSOLIDATED FINANCIAL STATEMENTS **For the year ended December 31, 2010**

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SUMMARY FINANCIAL STATEMENTS

1. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>(in € thousands)</i>	Notes	2010	2009 (*)
Operating income		1,635,305	1,551,258
Revenue	3.2	1,619,635	1,528,953
<i>of which revenue excluding construction</i>		<i>1,451,706</i>	<i>1,391,400</i>
<i>of which revenue from construction</i>		<i>167,929</i>	<i>137,553</i>
Other income	3.5	15,670	22,304
Operating expenses		(980,969)	(941,179)
Purchases and external expenses	3.3	(310,146)	(264,968)
<i>of which construction costs</i>		<i>(167,929)</i>	<i>(137,553)</i>
Payroll costs	3.4	(183,486)	(182,204)
Other expense	3.5	(4,857)	(10,181)
Taxes other than on income	3.6	(178,137)	(177,695)
Depreciation, amortization and provisions	3.7	(304,343)	(306,131)
Operating income, net		654,336	610,079
Interest expense	3.8	(216,373)	(225,928)
Other financial expenses	3.8	(31,046)	(36,777)
Financial income	3.8	23,503	30,785
Income before tax		430,420	378,159
Income tax	3.9	(147,269)	(131,418)
Share in net income of associates		(49)	63
Net income before non-controlling interests		283,102	246,805
Non-controlling interests		424	5
Net income attributable to owners of the parent		282,678	246,800

	3.10	2010	2009 (*)
Basic earnings per share (in euros)		3.70	3.22
Weighted average number of shares		76,615,132	76,615,132
Diluted earnings per share (in euros)		3.70	3.22
Weighted average number of shares		76,615,132	76,615,132

(*) Figures have been restated to reflect the change in accounting policy presented in note 2.3.

Other components of comprehensive income:

<i>(in €thousands)</i>	2010	2009 (*)
Net income	283,102	246,805
Actuarial gains and losses on post-employment programs	1,384	(1,379)
Tax effect	(477)	475
Total income and expenses recognized in equity	907	(904)
Total income and expenses recognized during the year	284,009	245,901
Attributable to owners of the parent	283,585	245,896
Non-controlling interests	424	5

(*) Figures have been restated to reflect the change in accounting policy presented in note 2.3.

2. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS <i>(in € thousands)</i>	Notes	December 31, 2010	December 31, 2009 (*)
Goodwill		5	5
Intangible assets	3.12	4,498,378	4,545,860
Property, plant and equipment	3.13	159,628	149,056
Investments in associates	3.1	68,293	43,677
Non-current financial assets	3.14	94,763	76,591
Deferred tax assets		32,008	17,490
Total non-current assets		4,853,075	4,832,679
Inventories		6,112	11,621
Trade and other accounts receivable	3.15	252,500	212,501
Current financial assets	3.14	17,219	11,716
Cash and cash equivalents	3.16	75,204	99,535
Total current assets		351,036	335,373
TOTAL ASSETS		5,204,111	5,168,052

EQUITY AND LIABILITIES <i>(in € thousands)</i>	Notes	December 31, 2010	December 31, 2009 (*)
Capital stock	3.17	53,090	53,090
Additional paid-in capital	3.17	715,288	715,288
Reserves and net income		(246,289)	(274,323)
Shareholders' equity		522,090	494,055
Non-controlling interests		517	122
Total equity		522,607	494,177
Non-current provisions	3.18	295,520	285,783
Provisions for long-term employment benefits	3.19	27,746	28,258
Financial liabilities: non-current portion	3.20	3,370,662	3,412,279
Total non-current liabilities		3,693,929	3,726,320
Current provisions	3.18	7,754	12,083
Financial liabilities: current portion	3.20	589,769	575,228
Trade and other accounts payable	3.21	389,333	357,962
Current tax liabilities		720	2,282
Total current liabilities		987,575	947,555
TOTAL EQUITY AND LIABILITIES		5,204,111	5,168,052

(*) Figures have been restated to reflect the change in accounting policy presented in note 2.3.

3. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>(in €thousands)</i>	Capital stock	Additional paid-in capital	Accumulated translation adjustments	Consolidated reserves and net income	Equity excl. non-controlling interests	Non-controlling interests	Total equity
As of January 1, 2010	53,090	715,288	43	(274,366)	494,055	122	494,177
Dividends				(255,153)	(255,153)	(8)	(255,161)
Recognized income and expenses				283,585	283,585	424	284,009
Share-based payments				430	430		430
Other (*)				(827)	(827)	(21)	(848)
As of December 31, 2010	53,090	715,288	43	(246,331)	522,090	517	522,607

(*) of which additional purchase of non-controlling interests

<i>(in €thousands)</i>	Capital stock	Additional paid-in capital	Accumulated translation adjustments	Consolidated reserves and net income	Equity excl. non-controlling interests	Non-controlling interests	Total equity
As of January 1, 2009	53,090	715,288	42	(29,072)	739,348	75	739,423
Effect of IFRIC 12 application				(263,773)	(263,773)		(263,773)
As of January 1, 2009 (restated)	53,090	715,288	42	(292,845)	475,575	75	475,650
Dividends				(227,494)	(227,494)	(9)	(227,502)
Recognized income and expenses				245,896	245,896	5	245,901
Share-based payments				287	287		287
Other (1)			1	(209)	(208)	51	(158)
As of December 31, 2009	53,090	715,288	43	(274,366)	494,055	122	494,177

(1) restatement of SAPN's minority shareholder creditors in reserves

4. CONSOLIDATED STATEMENT OF CASH FLOWS

<i>(in € thousands)</i>	2010	2009 (*)
OPERATING ACTIVITIES		
Operating income, net	654,336	610,079
Depreciation, amortization and provisions	310,137	310,814
Reversals of depreciation, amortization and provisions	(7,335)	(1,141)
Disposal gains and losses	(373)	(263)
Change in inventories	5,508	(3,544)
Change in trade and other receivables	(66,119)	9,766
Change in trade and other accounts payable	(39,458)	(40,134)
Taxes paid	(159,199)	(129,889)
	697,496	755,687
INVESTING ACTIVITIES		
Additions to property, plant and equipment	(25,265)	(36,659)
Additions to intangible assets	(181,479)	(145,879)
Proceeds from disposals of property, plant and equipment	628	326
Additions to non-current financial assets	(39,832)	(35,225)
Proceeds from disposals of non-current financial assets	4	604
Net cash held by subsidiaries on acquisition/disposal		16,236
Interest income	1,509	1,831
Dividend received	304	281
	(244,131)	(198,485)
FINANCING ACTIVITIES		
Dividends paid to owners of the parent	(255,153)	(227,490)
Dividends paid to non-controlling shareholders	(8)	(9)
New borrowings	402,824	255,467
Reimbursement of borrowings	(418,519)	(351,587)
Investment grants (gross)	322	6,458
Interest expense	(207,162)	(214,262)
	(477,696)	(531,423)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(24,331)	25,779
CASH AND CASH EQUIVALENTS AT JANUARY 1	99,535	73,756
CASH AND CASH EQUIVALENTS AT DECEMBER 31	75,204	99,535

(*) Figures have been restated to reflect the change in accounting policy presented in note 2.3.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 INFORMATION CONCERNING THE GROUP

The Sanef Group holds two concessions granted by the French government, through which it manages the construction and operation of 1,772 kilometers of toll roads, engineering structures and facilities. Of this total, Sanef manages 1,393 kilometers and SAPN manages 379 kilometers. As of December 31, 2010, the Group managed a total network of 1,757 kilometers, versus 1,743 kilometers as of December 31, 2009.

Both Sanef and SAPN are parties to the concession arrangements, whose expiration date was extended to 2029 (expiration in 2028 as of December 31, 2009) following the signing on January 25, 2010 of a sustainable development investment agreement between Sanef/SAPN and the French government amounting to about €250 million over three years in connection with the Grenelle Environment Forum.

The primary concession arrangements are similar for both companies, and the attached specifications constitute the fundamental instruments establishing the relationships between the French government as grantor and both companies. In particular, these arrangements set out the terms and conditions for the construction and operation of the toll roads, the applicable financial provisions, the duration of the concession and the terms under which the installations are to be recovered at the end of the concession.

The provisions most likely to influence the outlook of the Group's operations include:

- The obligation to maintain all engineering structures in a good state of repair and to ensure the continuity of traffic circulation under good safety conditions and in good working order;
- The provisions setting toll rates and the conditions for changes thereto;
- The clauses providing for applicable provisions in the event of regulatory changes of a technical or tax nature applicable to toll road operators. If such a change was liable to seriously compromise the financial equilibrium of the concessions, the French government and the concession operators would agree the compensation to be envisaged by common accord;
- The provisions liable to guarantee that all of the engineering structures of the concession have been placed in a proper state of repair on the date the contract expires;
- The conditions under which the assets are to be turned back over to the French government at the end of concession and the restrictions placed upon the assets;
- The ability of the French government to buy out the concession arrangements in the general interest.

In the context of the privatization of the Sanef Group, the French government announced its desire to modify the concession arrangements awarded to Sanef via amendments to the agreements that were approved by the boards of directors of Sanef and SAPN on April 27 and May 4, 2006, respectively.

Lastly, on December 31, 2004, long-term program agreements (*contrats d'entreprise*) were signed by Sanef Group companies and the French government, defining capital expenditure programs and tariff policies for 2004–2008. Agreements for the subsequent period starting in 2010 are currently under negotiation.

On November 23, 2010, the Sanef Group opened the Reims South Bypass (*Contournement Sud de Reims*, A4 CSR), a 14 kilometer motorway intended to relieve traffic passing through the city of Reims, and revamped the closed toll system around Reims.

Sanef's headquarters are located at 30 boulevard Gallieni – 92130 Issy-Les-Moulineaux – France.

2 ACCOUNTING POLICIES

2.1 Applicable accounting principles

Sanef's 2010 consolidated financial statements have been prepared in accordance with the international accounting standards published by the International Accounting Standards Board (IASB), as approved by the European Union on December 31, 2010. The texts published by the IASB and not adopted by the EU are not applicable to the Group.

They have been prepared on the historical cost basis, unless specifically stated below. The preparation of the financial statements requires the use of estimates and making of choices regarding the manner in which these standards are applied to certain transactions.

The Sanef Group has adopted a change in accounting policy – described in note 2.3 – concerning the application of IFRIC 12 to the accounting treatment for concessions (applicable as from January 1, 2009). Other standards and interpretations that are applicable with effect from 2010:

- IAS 27 *Consolidated and Separate Financial Statements* (2008) and IFRS 3 *Business Combinations* (2008). These new revised standards had only a very slight impact on the consolidated financial statements. Consequential amendments to other IFRSs – including IAS 12 *Income Taxes*, IAS 16 *Property, Plant and Equipment* and IAS 21 *The Effects of Changes in Foreign Exchange Rates* – were also applied, with no impact on the 2010 consolidated financial statements.
- Amendment to IAS 39 *Exposures Qualifying for Hedge Accounting*. The amendment precludes the inclusion of both the time value of an option in the risk exposure hedged through the purchase of an option and the inflation component of a fixed-rate fixed income security. This amendment had no impact on the Group's consolidated financial statements.
- IFRIC 18 *Transfers of Assets from Customers*. This interpretation clarifies the accounting treatment to be used when the Group receives an asset at no cost under the terms of a contract signed with one of its customers. This interpretation did not have a material impact on the Group's 2010 consolidated financial statements.
- April 2009 IFRS annual improvement process: the amendments included in this IFRS annual improvement process are applicable to years beginning on or after July 1, 2009 at the earliest (varies by amendment) and affect 12 standards and interpretations. They did not have a material impact on the Group's consolidated financial statements.

The following new standards and interpretations are also effective mandatorily starting with the 2010 financial statements, but are not applicable to Sanef, in light of the nature, activities, and organization of the Group.

- Reorganization of IFRS 1 *First-time Adoption of IFRS*,
- Amendment to IFRS 2 *Share-based Payments* on the accounting for cash-settled plans within a group,
- IFRIC 15 *Agreements for the Construction of Real Estate*,
- IFRIC 17 *Distributions of Non-cash Assets to Owners*,
- IFRIC 14 *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*,
- IFRIC 16 *Hedges of a Net Investment in a Foreign Operation*.

As part of the annual review process, the amendment to IAS 20 *Accounting for Government Grants and Disclosure of Government Assistance* changes the recognition of loans from government agencies at subsidized rates (such as those granted by the European Investment Bank, or EIB) entered into as from 2010. The advantage provided by interest rates at below the market rate will be considered a public grant (and therefore recorded as a reduction of the carrying amount of the assets financed), and the borrowing will be recorded and measured in accordance with IAS 39 *Financial Instruments: Recognition and Measurement* in reference to a market rate. No such loans have been granted to the Sanef Group during 2010.

Estimates and judgments:

The preparation of the consolidated financial statements required Management to make certain judgments and to include certain estimates and assumptions. Those estimates and their underlying assumptions were based on past experience and other factors deemed reasonable under the circumstances.

They served as the basis for the judgments that were made, as the information required to determine the carrying amounts of certain assets and liabilities could not be obtained directly from other sources. Actual values may differ from these estimates.

Significant estimates made by the Group relate to the valuation of concession assets in view of a potential impairment, depreciation periods for replaceable assets, provisions, and impairment of receivables.

2.2 Approval of the consolidated financial statements

The Sanef Group's consolidated financial statements were approved on February 16, 2011 by the Board of Directors.

The shareholders' meeting that will approve these financial statements is scheduled for April 14, 2011.

2.3 Change in accounting policy: Accounting treatment of concession arrangements

2.3.1 Presentation of change in accounting policy

IFRIC 12 *Service Concession Agreements*, adopted by the European Commission in March 2009, is applied by the Sanef Group as from 2010. This change in accounting policy is applied retrospectively. The comparative figures for 2009 and the opening statement of financial position as of January 1, 2009 have been restated as if IFRIC 12 was already in effect.

IFRIC 12 is applicable to public/private-type service concession arrangements, if:

- (a) the grantor controls or regulates i) the services that the concession operator must provide using the infrastructure, ii) to whom it must provide those services and iii) at what price; and
- (b) the grantor controls (in its capacity as owner or usufructuary or in any other capacity) any significant residual interest in the infrastructure at the end of the term of the arrangement.

The concession operator has a right of access to use the infrastructure to provide the public service on behalf of the grantor in accordance with the concession arrangements. This is not considered to be property, plant and equipment because the contractual service arrangement does not convey the right to control the use of the infrastructure used for public service.

Under the terms of the arrangements, the concession operator acts as service provider by constructing or upgrading infrastructure (construction or improvement services) and operates the infrastructure (operating service) for a specified period of time.

Under the terms of IAS 11, during the construction or improvement period the concession operator receives revenue that is recognized on a percentage of completion basis.

All revenue and costs related to operating activities are recognized in accordance with the provisions of IAS 18.

In return for the construction or improvement services, the concession operator receives:

- a financial asset if the concession operator has an unconditional contractual right to receive cash amounts. This model is not applicable to the Sanef Group's activities; or
- an intangible asset insofar as it receives a right to charge users of the public service without any guarantee of the amount to be received. The toll roads operated by the Sanef Group fit this model.

Furthermore, as a condition of its license the concession operator has contractual obligations to:

- (a) maintain all infrastructure at a specified level of service capacity or
- (b) restore the infrastructure to a specified condition prior to handing it back over to the grantor at the end of the service arrangement.

These contractual obligations to maintain or restore infrastructure, with the exception of any improvement elements, must be recognized and measured in accordance with IAS 37, i.e., using the best estimate of the expenditure that would be required to settle the present obligation at the end of the reporting period.

2.3.2 Impacts of the change in accounting policy following the application of IFRIC 12

2.3.2.1 Impacts on the statement of comprehensive income

The design and construction of new toll road infrastructure or improvement of existing structures by sub-contractors is accompanied by the recognition of revenue on a percentage of completion basis in exchange for the intangible asset received.

Construction costs incurred for work on these structures performed by licensed sub-contractors are recognized in purchases and external expenses.

Details of the other impacts of the application of IFRIC 12 on the statement of comprehensive income are provided in section 2.3.2.3.

They mainly concern:

- Additions to provisions for the maintenance of concession assets in working order,
- Reversal of the discounting of provisions for the maintenance of concession structures in working order.

2.3.2.2 Impacts on the statement of financial position

- Assets

All concession assets have been reclassified as intangible assets as from January 1, 2009.

These intangible assets, which are stated at fair value, are amortized over the concession period.

All other property, plant and equipment necessary for operations but not controlled by the grantor (such as toll equipment) or those for other uses continue to be recognized as property, plant and equipment in the financial statements of the Sanef Group and are depreciated over their useful life.

- Liabilities

The Sanef Group has recognized provisions for maintaining the concession structures in working order, in accordance with its obligations to the grantor. These provisions cover toll road surfaces and engineering structures on which conditions requiring refurbishing have been identified.

2.3.2.3 Statements of financial position and statements of comprehensive income restated for the application of IFRIC 12

Consolidated statements of financial position

ASSETS <i>(in € thousands)</i>	January 1, 2009	IFRIC 12 adjustments	January 1, 2009 (restated)
Goodwill	16,176		16,176
Intangible assets	27,652	4,576,908	4,604,560
Property, plant and equipment	4,869,194	(4,717,892)	151,302
Investments in associates	2,217		2,217
Non-current financial assets	73,028		73,028
Deferred tax assets		2,356	2,356
Total non-current assets	4,988,267	(138,628)	4,849,639
Inventories	12,279		12,279
Trade and other accounts receivable	245,057		245,057
Current income tax receivable	44		44
Current financial assets	1,433		1,433
Cash and cash equivalents	73,756		73,756
Total current assets	332,569		332,569
TOTAL ASSETS	5,320,835	(138,628)	5,182,207

EQUITY AND LIABILITIES <i>(in € thousands)</i>	January 1, 2009	IFRIC 12 adjustments	January 1, 2009 (restated)
Capital stock	53,090		53,090
Additional paid-in capital	715,288		715,288
Reserves and net income	(29,030)	(263,773)	(292,803)
Shareholders' equity	739,349	(263,773)	475,575
Non-controlling interests	75		75
Total equity	739,424	(263,773)	475,650
Non-current provisions		261,294	261,294
Provisions for long-term employee benefits	27,171		27,171
Financial liabilities: non-current portion	3,567,779		3,567,779
Deferred tax liabilities	136,149	(136,149)	
Total non-current liabilities	3,731,099	125,145	3,856,244
Current provisions	4,234		4,234
Financial liabilities: current portion	517,950		517,950
Trade and other accounts payable	328,127		328,127
Total current liabilities	850,311		850,311
TOTAL EQUITY AND LIABILITIES	5,320,835	(138,628)	5,182,207

ASSETS <i>(in € thousands)</i>	December 31, 2009	IFRIC 12 adjustments	December 31, 2009 (restated)
Goodwill	5		5
Intangible assets	29,443	4,516,417	4,545,860
Property, plant and equipment	4,801,814	(4,652,758)	149,056
Investments in associates	43,677		43,677
Non-current financial assets	76,591		76,591
Deferred tax assets		17,490	17,490
Total non-current assets	4,951,530	(118,851)	4,832,679
Inventories	11,621		11,621
Trade and other accounts receivable	212,501		212,501
Current financial assets	11,716		11,716
Cash and cash equivalents	99,535		99,535
Total current assets	335,374		335,373
TOTAL ASSETS	5,286,904	(118,851)	5,168,052

EQUITY AND LIABILITIES <i>(in € thousands)</i>	December 31, 2009	IFRIC 12 adjustments	December 31, 2009 (restated)
Capital stock	53,090		53,090
Additional paid-in capital	715,288		715,288
Consolidated reserves and net income	1,562	(275,885)	(274,323)
Shareholders' equity	769,941	(275,885)	494,055
Non-controlling interests	122		122
Total equity	770,063	(275,885)	494,177
Non-current provisions	2,575	283,208	285,783
Provisions for long-term employee benefits	28,258		28,258
Financial liabilities: non-current portion	3,412,279		3,412,279
Deferred tax liabilities	127,375	(127,375)	
Total non-current liabilities	3,570,486	155,833	3,726,320
Current provisions	10,882	1,201	12,083
Financial liabilities: current portion	575,228		575,228
Trade and other accounts payable	357,962		357,962
Current tax liabilities	2,282		2,282
Total current liabilities	946,354	1,201	947,555
TOTAL EQUITY AND LIABILITIES	5,286,904	(118,851)	5,168,052

Consolidated statement of comprehensive income

2009				
(in € thousands)	2009	IFRIC 12 adjustments	Notes	2009 (restated)
Operating income	1,413,705	137,553		1,551,258
Total revenue	1,391,400	137,553		1,528,953
<i>of which revenue excluding construction</i>	<i>1,391,400</i>			<i>1,391,400</i>
<i>of which revenue from construction</i>		<i>137,553</i>	(1)	<i>137,553</i>
Other income	22,305			22,305
Operating expenses	(799,933)	(141,246)		(941,179)
Purchases and external expenses	(132,739)	(132,229)		(264,968)
<i>of which construction costs</i>		<i>(137,553)</i>	(2)	<i>(137,553)</i>
Payroll costs	(182,204)			(182,204)
Other expense	(10,181)			(10,181)
Tax other than on income	(177,695)			(177,695)
Depreciation, amortization and provisions	(297,114)	(9,017)	(3)	(306,131)
Operating income, net	613,772	(3,693)		610,079
Interest expense	(225,928)			(225,928)
Other financial expenses	(21,998)	(14,779)	(4)	(36,777)
Financial income	30,785			30,785
Income before tax	396,631	(18,472)		378,159
Income tax	(137,778)	6,360		(131,418)
Share in net income of associates	63			63
Net income before non-controlling interests	258,917	(12,112)		246,805
Non-controlling interests	5			5
Net income attributable to owners of the parent	258,912			246,800

(1) The impact of IFRIC 12 on revenue stems from work performed by third parties on the design, construction or improvement of concession structures.

(2) The impact of IFRIC 12 on purchases and external expenses stems from third-party costs for the design, construction or improvement of concession structures.

(3) The impact of IFRIC 12 on depreciation, amortization and provisions stems from toll road surfacing now being expensed through additions to provisions rather than capitalized.

(4) The impact of IFRIC 12 on other financial expenses is attributable to the impact of the reversal of the discounting of provisions for the maintenance of concession structures in working order.

Earnings per share

	2009	IFRIC 12 adjustments	2009 (restated)
Basic earnings per share (in euros)	3.38	(0.16)	3.22
Weighted average number of shares	76,615,132		76,615,132
Diluted earnings per share (in euros)	3.38	(0.16)	3.22
Weighted average number of shares	76,615,132		76,615,132

Other components of comprehensive income

<i>(in €thousands)</i>	2009	IFRIC 12 adjustments	2009 (restated)
Net income	258,917	(12,112)	246,805
Actuarial gains (losses) on post-employment programs	(1,379)		(1,379)
Tax effect	475		475
Total income and expenses recognized in equity	(904)		(904)
Total income and expenses recognized during the year	258,013	(12,112)	245,901
Attributable to owners of the parent	258,008	(12,112)	245,896
Non-controlling interests	5		5

Consolidated statement of cash flows

<i>(in € thousands)</i>	2009	IFRIC 12 adjustments	2009 (restated)
OPERATING ACTIVITIES			
Operating income, net	613,772	(3,693)	610,079
Depreciation, amortization and provisions	301,797	9,017	310,814
Reversals of depreciation, amortization and provisions	(1,141)		(1,141)
Disposal gains and losses	(263)		(263)
Change in inventories	(3,544)		(3,544)
Change in trade and other receivables	9,766		9,766
Change in trade and other accounts payable	3,741	(43,875)	(40,134)
Taxes paid	(129,889)		(129,889)
	794,238	(38,551)	755,687
INVESTING ACTIVITIES			
Additions to property, plant and equipment	(212,763)	176,104	(36,659)
Additions to intangible assets	(8,326)	(137,553)	(145,879)
Proceeds from disposals of property, plant and equipment	326		326
Additions to non-current financial assets	(35,225)		(35,225)
Proceeds from disposals of non-current financial assets	604		604
Net cash held by subsidiaries on acquisition/disposal	16,236		16,236
Interest income	1,831		1,831
Dividends received	281		281
	(237,036)	38,551	(198,485)
FINANCING ACTIVITIES			
Dividends paid to owners of the parent	(227,490)		(227,490)
Dividends paid to non-controlling shareholders	(9)		(9)
New borrowings	255,467		255,467
Reimbursement of borrowings	(351,587)		(351,587)
Investment grants (gross)	6,458		6,458
Interest expense	(214,262)		(214,262)
	(531,423)		(531,423)
CHANGE IN CASH AND CASH EQUIVALENTS	25,779		25,779
CASH AND CASH EQUIVALENTS AT JANUARY 1	73,756		73,756
CASH AND CASH EQUIVALENTS AT DECEMBER 31	99,535		99,535

2.4 *Consolidation method*

The consolidated financial statements include the financial statements of Sanef, its controlled subsidiaries and its associates, established at the end of each reporting period. The financial statements of subsidiaries and associates are prepared for the same period as those of the parent company.

Subsidiaries are fully consolidated when they are controlled by the Group. Such control is established when the Group has the direct or indirect power to make decisions relating to operations and finance in order to obtain full advantages from the subsidiary.

Non-controlling interests are presented on the statement of financial position in a separate category from equity. The share of non-controlling interests in income is presented on a separate line of the statement of comprehensive income.

Subsidiaries that are jointly controlled are proportionally consolidated.

Companies over which the Group exercises notable influence (“associates”) are consolidated using the equity method. Notable influence is presumed when the Group holds more than 20% of a company’s shares. If this criterion is not met, other criteria – such as whether the Group is represented on the company’s Board of Directors – are considered when deciding whether or not to apply the equity method.

Companies that have been newly acquired are consolidated as from the effective date control is acquired. Their assets and liabilities are valued at that date in accordance with the acquisition method used.

2.5 *Translation of foreign currencies*

In Group companies, transactions in foreign currencies are translated using the exchange rate in effect at the time they occur. Money market assets and liabilities denominated in foreign currencies are translated at the closing exchange rate for the period. Any translation gains and losses are recognized in the statement of comprehensive income as other financial income and expense.

The subsidiaries and equity investments located outside of the eurozone use their local currency as operating currency and this currency is used for the majority of their transactions. Their statements of financial position are translated using the exchange rate in effect at the end of the reporting period, while their statements of comprehensive income are translated using the average annual exchange rate. Any gains or losses that may result from the translation of the financial statements of these subsidiaries and affiliates are recognized in consolidated equity under “Cumulative translation adjustments.” Goodwill on these subsidiaries is recognized in the local functional currency.

2.6 *Segment data*

The Group is not obliged to provide segment data, as defined in IFRS 8. However, some indicators presenting the concessions separately from other activities (basically telematics) are presented in note 3.25.

2.7 *Goodwill*

Goodwill represents the difference between the acquisition price (including ancillary costs) of the shares of companies that are controlled by the Group and the Group’s share in the fair value of their net assets at the date control is acquired. It corresponds to non-identifiable items within the acquired companies. In accordance with IFRS 3 *Business Combinations*, goodwill is not amortized.

The Group has a period of 12 months from the date of acquisition to finalize the accounting for any business combinations.

Goodwill is tested for impairment as soon as there is an indication of a loss of value, and at least once per year. For this test, goodwill is allocated at the cash-generating unit level, representing the smallest groups of assets generating autonomous cash flows, compared to the total cash flows of the Group.

2.8 *Intangible assets*

Following the adoption of IFRIC 12 (see note 2.3), intangible assets reported on the Group statement of financial position consist almost entirely of assets held by concessionaire companies that will, for the most part, be returned to the French government at the end of the concession period without consideration.

The concession covers all land, engineering structures and facilities required for the construction, maintenance and operation of each toll road or section of toll road, including on- and off-ramps, out-buildings and other facilities used to provide services to toll road users or designed to optimize toll road operations. Assets may include either original infrastructure or complementary investments on toll roads in service.

Concession assets are carried at historical cost. Non-replaceable assets are amortized over the term of the concession, at a pace that reflects the consumption of economic benefits expected from the intangible right conceded (on a straight-line basis for mature concessions and based on traffic forecasts for new concessions). Replaceable assets are depreciated over their estimated useful lives.

The remaining intangible assets consist mainly of software purchased by the Group. They are recognized at cost and are amortized on a straight-line basis over a period of three to five years, depending on their useful life.

Currently, development expenses are mainly charged to the statement of comprehensive income in the period during which they are incurred, as they do not meet the requirements for capitalization.

2.9 *Property, plant and equipment*

Following the adoption of IFRIC 12 (see note 2.3), only the replaceable assets that are not controlled by the grantor, such as toll booth equipment, signage, remote transmission and video-surveillance systems, computer equipment, vehicles, machinery and tools are classified as “property, plant and equipment” in the Sanef Group financial statements. They are depreciated on a straight-line basis over their useful life.

Useful lives	Number of years
Equipment and tools	5 to 8 years
Computer hardware	3
Vehicles	5
Facilities	8

2.10 *Lease contracts*

Finance leases on equipment sold by Masternaut – a former Group subsidiary that was sold in 2009 – generated financial receivables that have since been sold to financial institutions. For this reason, they no longer appear among the assets on the Group's statement of financial position.

2.11 *Impairment testing of goodwill, other intangible and tangible assets*

The legal stipulations and the financial provisions of the concession contracts require that each contract be associated with a cash generating unit (CGU). The value in use of these CGUs is determined by discounting all future net cash flows. Impairment losses are recognized when the recoverable amount of the asset is less than the carrying amount of the goodwill, other intangible and tangible assets associated with the CGU. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. Impairment losses are credited to the asset account in question.

The future cash flows used to determine value in use are those defined during the preparation of Sanef's budget and strategic plan, and are management's best estimate of all economic conditions that exist over the asset's remaining useful life. The assumptions are determined on the basis of past experience and independent sources.

2.12 *Financial instruments*

The measurement and recognition of financial assets and liabilities are defined by IAS 39 *Financial Instruments: Recognition and Measurement*.

2.12.1 *Non-derivative financial assets*

When first recorded on the statement of financial position, financial assets are stated at fair value plus transaction costs.

At the date of acquisition, and depending on the purpose of the acquisition, Sanef classifies the financial asset in one of the three accounting categories of financial assets defined by IAS 39. This classification then determines the measurement method applied to the financial asset in future periods: amortized cost or fair value.

Held-to-maturity investments include solely securities with fixed or determinable cash flows and maturities, other than loans and receivables that are purchased with the intention of keeping them until their maturity. These are stated at amortized cost using the effective interest rate method. The net income/loss on held-to-maturity investments will reflect either interest income or impairment. The Group does not currently hold any financial assets belonging to this category.

Loans and receivables are non-derivative financial instruments with fixed or determinable cash flows that are not quoted in a regulated market. These assets are stated at amortized cost using the effective interest rate. This category includes trade receivables, receivables from affiliates, guarantee deposits, financial advances, guarantees and other loans and receivables. Loans and receivables are recognized net of any provisions for impairment due to default risk. Net gains and losses on loans and receivables reflect either interest income or impairment losses.

Available-for-sale assets are stated at fair value, and any change in fair value is recognized directly in equity. This category primarily includes non-consolidated affiliates. These assets are recognized on the statement of financial position at cost, in the absence of an active market. Net gains or losses on available-for-sale assets recognized in income and expenses include dividends, impairment losses and capital gains and losses.

Financial assets at fair value through profit or loss include financial assets and liabilities held for trading which the Group intends, from the date of purchase, to sell or trade within the short term and financial assets that are, on initial recognition, designated as under the fair value option. The Sanef Group is not meant to own and does not own any financial assets held for trading. They are measured at fair value, with changes in fair value recognized through profit or loss in the statement of comprehensive income. Financial assets at fair value through income, designated as such on option, include cash and cash equivalents. The net income or loss on these assets at fair value includes interest income, changes in fair value and capital gains and losses.

Cash includes amounts held in bank current accounts. Cash equivalents are highly liquid investments, maturing in less than three months that do not present any material risk of loss of value. Cash equivalents are included in the category of financial assets at fair value through profit or loss.

2.12.2 Non-derivative financial liabilities

Financial liabilities include borrowings, trade accounts payable and other payables related to operations.

With the exception of financial liabilities measured at fair value through profit or loss, loans and other interest-bearing financial liabilities are stated at amortized cost using the effective interest rate method, which includes a yield-to-maturity based amortization of transaction costs directly linked to the issuance of the financial liability. Given their short maturity, trade and other accounts payable are stated at cost, as the amortized cost method using the effective interest rate method provides very similar results.

2.12.3 Derivatives

Derivative instruments are stated on the statement of financial position at their positive or negative fair value.

Any derivatives put in place in connection with the Group's interest rate management strategy but that do not qualify as hedging instruments, or where the Group has not elected to use hedge accounting, are stated on the statement of financial position at fair value, with changes in fair value through profit or loss.

In cases where these instruments qualify as fair value hedges, changes in fair value are recognized through profit and loss. A change in the fair value that goes against the hedged position, resulting from the risk that is covered, is recognized through profit or loss with a contra entry on the statement of financial position. Given the types of derivative instruments used by the Group, this accounting method has no material impact on the statement of comprehensive income.

Changes in the fair value of derivative instruments that do not qualify as hedging instruments are recognized through profit or loss.

Cash flow hedges are hedges of exposure to fluctuations in cash flows attributable to a particular risk associated with an asset or liability or a planned transaction which would affect reported net income. When derivative instruments qualify as cash flow hedges, any change in the fair value of the effective portion is recognized directly in equity, while any change in the fair value of the ineffective portion is recognized through profit or loss.

2.13 Inventories

Inventories consist primarily of fuel and salt. They are stated at weighted average cost and written down to their net realizable value if it is lower.

2.14 *Trade and other accounts receivable*

Trade receivables are initially recognized at fair value and subsequently measured at amortized cost. Trade receivables are recognized in the short term on the basis of their face value, as discounting has no significant impact.

Impairment of trade receivables is recognized when there is objective evidence of the Group's inability to collect all or a portion of the amounts due.

2.15 *Recognition of income taxes*

Taxes include both current income tax expense and deferred taxes.

Tax receivables and payables generated during the year are classified as current assets or liabilities.

Deferred taxes are recognized on all temporary differences between the carrying amount of assets and liabilities and their tax basis. This method consists of calculating deferred taxes using the tax rates expected to apply when the temporary differences reverse, if such tax rates have been enacted. Deferred tax assets are recognized only when it is probable that they will be recovered in the future. Deferred tax assets and liabilities are offset against one another, regardless of when they are expected to reverse, where they concern entities in the tax group. Deferred taxes are not discounted to their present value and are recognized on the statement of financial position as non-current assets and liabilities.

2.16 *Equity*

All costs directly attributable to the capital increases are deducted from additional paid-in capital.

Dividend distributions to Sanef shareholders are recognized as a liability in the financial statements of the Group on the date the dividends are approved by the shareholders.

2.17 *Share-based payments*

Employee compensation in the form of equity instruments is recognized as an expense, with a contra entry to additional paid-in capital. In accordance with IFRS 2 *Share-based Payment*, they are stated at fair value of the instruments granted and the expense is spread over the vesting period.

2.18 *Interest expenses*

The interest expenses generated during the building of conceded engineering structures are included in the building cost of these structures.

2.19 *Current and non-current provisions*

In accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, a provision is recognized when the Group has an obligation to a third party arising from a past event and it is probable that an outflow of resources will be required to fulfill this obligation.

2.20 *Employee defined benefit obligations*

Salaried employees of the Sanef Group receive lump-sum termination benefits which are paid to those employees who are actively employed by Sanef when they retire. Furthermore, employees who retire from the subsidiary SAPN are entitled to partial coverage of their healthcare insurance premium contribution. A supplemental defined benefit retirement plan was also set in place in 2005.

Prior to retirement, employees are paid defined benefits by the Group in the form of long service awards.

These defined benefit obligations are recorded on the statement of financial position and measured using the projected unit credit method, based on estimated future salaries. Expenses recognized during the year comprise current service costs during the year, with the financial cost corresponding to the reversal of the discounting of the actuarial obligation. This expense is charged against any income from the plan assets used to cover these obligations.

As allowed by IAS 19 *Employee Benefits*, the Group has elected to recognize all actuarial gains and losses arising from the measurement of defined benefit obligations directly through reserves.

2.21 *Revenue recognition*

Revenues consist nearly entirely of toll receipts and are recognized as the corresponding services are provided.

In accordance with IFRIC 12, the Sanef Group recognizes revenue from construction or improvement services related to the concessions – and records the associated costs as “purchases and external expenses” – in accordance with the provisions of IAS 11 (using the percentage of completion method).

2.22 *Financial income and expenses*

Interest expense includes interest payable on borrowings, calculated using the amortized cost method at the effective interest rate.

The result on hedging derivatives includes changes in fair value and all flows exchanged.

Other financial income and expenses includes revenues from loans and receivables, calculated using the amortized cost method at the effective interest rate, as well as gains on investments of cash and cash equivalents, impairment of financial assets, dividends and foreign exchange gains and losses.

2.23 *Measuring the fair value of financial instruments*

The fair value of all financial assets and liabilities is determined at the end of the financial period and is recognized either directly in the financial statements or in the notes to the financial statements. The fair value is the amount for which an asset could be exchanged or for which a liability could be extinguished between informed, consenting parties at arm's length.

Most derivative instruments (swaps, caps, floors, etc.) are traded in over-the-counter markets for which there are no quoted prices. As a result, they are measured on the basis of models commonly used by the players involved to measure such financial instruments, using the market conditions existing at the end of the reporting period.

The following valuation techniques, all classified as level 2 of the categories of fair values under IFRS 7, are used to determine the fair value of derivative instruments:

- Interest rate swaps are measured by discounting all future contractual cash flows;
- Options are measured using valuation models (e.g. Black & Scholes) that are based on quotes published on an active market and/or on listings obtained from independent financial institutions;
- Currency and interest rate derivative instruments are measured by discounting the differential in interest payments.

The fair value of unlisted loans is calculated by discounting the contractual flows, one borrowing at a time, at the interest rate Sanef would obtain on similar borrowings at the end of the borrowing period.

The carrying amount of receivables and payables due within one year and certain floating rate receivables and payables is considered to be a reasonable approximation of their fair value, taking into account the short payment and settlement periods used by Sanef Group.

The valuations generated by these models are adjusted in order to take into account changes in Sanef's credit risk.

2.24 *Reporting standards and interpretations not yet in effect*

Certain standards and interpretations have been definitively adopted by IASB and the IFRIC but are still being validated by the EU authorities, and Sanef has not applied them early in its 2010 consolidated financial statements.

Revised IAS 24 *Related Party Disclosures* and IFRS 8 subsequent amendment to the revised IAS 24 are not expected to have a material impact on the Sanef Group.

The amendments to IAS 32 *Classification of Rights Issues*, to IFRS 1 *Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters* and to IFRS 7 subsequent to the amendment to IFRS 1, IFRS 1 – *Amendment Following the Adoption of IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments* and the amendments to IFRIC 19 and IFRIC 14 *Defined Benefit Asset and Minimum Funding Requirements* either do not apply or will not have an impact on the Group.

3 DETAILS OF THE SUMMARY FINANCIAL STATEMENTS

3.1 Scope of consolidation

The Sanef Group consists of the parent company Sanef and the following subsidiaries:

Company	Activity	Consolidation Method
SAPN	Toll road concession operator	Full consolidation
<i>Masternaut International</i>	<i>Telematics</i>	<i>Full consolidation (*)</i>
<i>Masternaut</i>	<i>Telematics</i>	<i>Full consolidation (*)</i>
Eurotoll	Telematics	Full consolidation
Bet'Eire Flow	Telematics	Full consolidation
SEA 14	Toll road operator	Full consolidation
Sanef d.o.o	Engineering services	Full consolidation
Slov Toll	Engineering services	Full consolidation
San Toll	Engineering services	Full consolidation
Sanef Tolling	Engineering services	Full consolidation
Sanef Aquitaine	Toll road operator	Full consolidation
ASL	Logistics	Proportional consolidation
Sanef-SABA Parkings France	Parking garage concessions	Proportional consolidation
Alis	Toll road concession operator	Equity method
Routalis	Toll road operator	Equity method
A'Liéonor	Toll road concession operator	Equity method

(*) Consolidated through March 31, 2009

The scope of consolidation for 2009 takes into account the sale of the Masternaut International group in the first half of 2009.

On December 10, 2010, the Sanef Group acquired the remaining shares of Bet'Eire Flow (20%), thereby taking over full ownership of this Irish company.

3.1.1 Investments in associates

Summary financial highlights:

2010 <i>(in €thousands)</i>	A'LIENOR	ALIS	ROUTALIS
Assets	1,208,796	931,512	3,617
Liabilities	928,493	704,070	3,013
Equity	280,303	227,442	604
Revenue	1,690	50,210	9,194
Operating profit (loss)	701	22,919	1,111
Profit (loss) before tax	(915)	(20,850)	1,070
Net income (loss)	(915)	(20,850)	560

2009 <i>(in €thousands)</i>	A'LIENOR	ALIS	ROUTALIS
Assets	688,988	934,611	2,617
Liabilities	569,981	682,237	2,318
Equity	119,007	252,374	299
Revenue	107	44,934	3,928
Operating profit (loss)	(12)	18,018	381
Profit (loss) before tax	(12)	(12,891)	371
Net income (loss)	(12)	(12,891)	250

Sanef stopped recognizing its share of Alis's losses, as they exceeded the value of its investment. The unrecognized share of Alis's losses amounted to €4.1 million in 2010 and €19 million in aggregate.

3.2 Revenue

<i>(in €thousands)</i>	2010	2009 (*)
Toll receipts	1,332,125	1,289,700
<i>Subscription sales and telematics services</i>	14,543	22,553
<i>Fees from service area operators</i>	26,060	23,590
<i>Telecommunications fees</i>	6,996	7,123
<i>Engineering services and other</i>	71,981	48,434
Revenue from activities other than toll receipts	119,581	101,700
Revenue from construction performed by third parties (IFRIC 12)	167,929	137,553
Revenue	1,619,635	1,528,953

(*) Figures have been restated to reflect the change in accounting policy presented in note 2.3.

Subscription sales and telematics services include the billing of management fees on subscriptions and sales of equipment and the processing of information collected by these devices. This revenue was down sharply following the sale of Masternaut at the end of the first quarter of 2009. This sale reduced revenue by €8.3 million.

Fees from service station and other service area operators correspond to fees received from the operators of service stations and other retail outlets located in toll road rest and service areas.

Telecommunications fees correspond mainly to the rental of fiber optic cables and masts to telecoms operators.

Engineering services and other includes sales of fuel, the various services provided on the network or in close proximity and the services provided by the non-toll road operator subsidiaries (Bet'Eire Flow, parking garages, Slovakia, etc.). The strong growth in these services in 2010 comes primarily from chargebacks related to the A65 (Fixed Operating Equipment [EFE] contract).

3.3 Purchases and external expenses

<i>(in €thousands)</i>	2010	2009 (*)
Purchases and change in inventory	(41,954)	(30,975)
Maintenance of infrastructure	(17,205)	(7,910)
Maintenance and repair	(14,899)	(14,008)
Other external expenses	(68,159)	(74,522)
Construction expenses for work carried out by third parties (IFRIC 12)	(167,929)	(137,553)
Purchases and external costs	(310,146)	(264,968)

(*) Figures have been restated to reflect the change in accounting policy presented in note 2.3.

3.4 Payroll costs

<i>(in €thousands)</i>	2010	2009
Salaries and wages	(113,843)	(113,342)
Payroll taxes	(52,819)	(49,786)
Incentive plan	(4,710)	(7,642)
Employee profit-sharing	(10,776)	(9,392)
Cost of stock-options	(430)	(287)
Post-employment and other long-term employee benefits	(907)	(1,755)
Payroll costs	(183,486)	(182,204)

Abertis established stock options plans for its stock in favor of the members of the Sanef Management Committee, one in 2008 (2008 plan), one in 2009 (2009 plan), and one in the first half of 2010 (2010 plan): these plans added €430 thousand of expense (€287 thousand in 2009), with a contra-entry to reserves.

Primary assumptions used by the Abertis group for the valuation of the stock option plans:

	2008 plan	2009 plan	2010 plan
Valuation model	Hull & White	Hull & White	Hull & White
Initial exercise price (€/share)	20.51	12.06	14.57
Adjusted exercise price as of 12/31/2010 (€/share)	17.72	10.94	13.88
Grant date	04/02/2008	04/02/2009	04/28/2010
Expiration	04/02/2013	04/02/2014	04/28/2015
Term of option at expiration	5 years	5 years	5 years
<i>o.w. vesting period</i>	3 years	3 years	3 years
Type of option	Call/Bermuda	Call/Bermuda	Call/Bermuda
Price of underlying stock at grant date	21.00	11.99	13.03
Expected volatility	21.29%	24.75%	27.52%
Risk free rate	4.13%	2.63%	2.31%
Early cancellation rate	0.00%	0.00%	0.00%

Movements in the 2008, 2009 and 2010 plans during 2010:

	2008 plan	2009 plan	2010 plan
Number of options as of January 1, 2010	146,632	177,450	
Options granted - new plan			218,500
New options granted during the year	7,296	8,637	10,925
Options cancelled	(7,374)	(11,217)	(7,875)
Number of options as of December 31, 2010	146,554	174,870	221,550

3.5 Other income and expenses

<i>(in €thousands)</i>	2010	2009
Capitalized production costs	6,952	8,026
Gains on disposals of PP&E and intangible assets	373	263
Operating grants	1,772	1,921
Miscellaneous income	6,573	12,094
Other income	15,670	22,304
Miscellaneous expenses	(7,812)	(10,181)
Other net additions to provisions	2,955	
Other expenses	(4,857)	(10,181)

As from 2010, other net additions to provisions are classified as “other expenses,” to better reflect their current character in the normal course of operations. They were previously included in “additional provisions” (see note 3.7). Moreover, in 2010, reversals of provisions that were previously included in “other miscellaneous income” have been reclassified to “other net additions to provisions.”

Under this presentation method, in 2009 other expenses amounted to €10,382 thousand.

3.6 Taxes other than on income

<i>(in €thousands)</i>	2010	2009
Regional development tax	(96,741)	(94,472)
Local business tax	(36,212)	(38,388)
Local government royalties	(35,943)	(35,393)
Other taxes	(9,241)	(9,442)
Taxes other than on income	(178,137)	(177,695)

The regional development tax is calculated on the basis of the number of kilometers of toll-paying toll roads in the network that were traveled during the year. This tax is paid on a monthly basis and a final adjustment payment is made at the end of the year. Since January 1, 2000, the regional development tax has been levied at the rate of €6.86 per thousand kilometers traveled. As from January 1, 2011, this tax will be levied at the rate of €7.32 per thousand kilometers traveled.

Since January 1, 2010, the *taxe professionnelle* local business tax (€38,388 thousand in 2009) has been replaced by another local business tax, the Regional Economic Contribution (*Contribution Economique Territoriale*, or *CET*: €36,212 thousand in 2010). In 2009, the line “Local business tax” included a €3,568 thousand provision for a tax adjustment in respect of fiscal years 2006, 2007 and 2008.

The royalty paid to local governments (also known as the annual royalty for occupation of a public domain) is an obligation created by Article 1 of Decree No. 97-606, dated May 31, 1997 and voted as Article R.122-27 of the French Toll Road Code. It is a tax calculated on the basis of the revenues earned by the concessionaire from its toll road concession activity, operated in the public domain, and the number of kilometers of toll roads operated as of December 31 of the preceding year. This tax is paid in July of each year, to cover the period from July 1 to June 30 of the following year.

The change in the line “Taxes other than on income” is therefore very directly related to the change in revenues, essentially from the concession operator companies.

3.7 Depreciation, amortization and provisions

<i>(in €thousands)</i>	2010	2009 (*)
Amortization of intangible assets	(228,180)	(230,529)
Depreciation of private sector assets	(2,431)	(2,117)
Depreciation of replaceable PP&E: other	(34,421)	(34,699)
Total depreciation and amortization	(265,032)	(267,345)
Additional provisions on infrastructures under concession	(39,311)	(38,390)
Other net additions to provisions		(396)
Depreciation, amortization and provisions	(304,343)	(306,131)

(*) Figures have been restated to reflect the change in accounting policy presented in note 2.3.

As from 2010, “other net additions to provisions,” which amounted to €396 thousand in 2009, are classified among “other expenses” (see note 3.5).

3.8 Financial income and expenses

Analysis of financial income and expenses:

<i>(in €thousands)</i>	2010	2009
Interest expense on debt stated at amortized cost	(216,373)	(225,928)
Total interest expense	(216,373)	(225,928)

<i>(in €thousands)</i>	2010	2009 (*)
Other financial expenses		
Interest expense on interest rate hedging derivatives	(3,151)	(12,517)
Discounting expense	(16,084)	(14,779)
Net loss on sales of equity investments (Masternaut)		(2,424)
Changes in fair value of financial instruments	(8,133)	(7,044)
Miscellaneous financial expenses	(3,678)	(13)
Total other financial expenses	(31,046)	(36,777)

<i>(in €thousands)</i>	2010	2009
Financial income		
Interest income on interest rate hedging derivatives	14,650	21,604
Income from equity investments other than dividends from associates	126	281
Changes in fair value of financial instruments	7,203	6,994
Income from other receivables and marketable securities	1,052	1,649
Miscellaneous financial income	472	258
Total financial income	23,503	30,785

(*) Figures have been restated to reflect the change in accounting policy presented in note 2.3.

3.9 Income taxes

Tax proof for fiscal years 2009 and 2010:

<i>(in €thousands)</i>	2010	2009 (*)
Net income	283,102	246,805
Income tax	147,269	131,418
To be excluded: Income from associates	49	(63)
Profit before tax	430,420	378,160
Theoretical tax expense (34.43%)	(148,194)	(130,200)
Non deductible expenses - permanent differences	(430)	(993)
Adjustments of 2008 deferred taxes		696
Sale of Masternaut - net impact		(185)
Differences in tax rates of foreign companies	688	521
Impact of tax losses without recognition of tax asset	206	(1,257)
Tax credits and other	461	
	(147,269)	(131,418)

(*) Figures have been restated to reflect the change in accounting policy presented in note 2.3.

Analysis of deferred taxes by key statement of financial position lines:

<i>(in € thousands)</i>	December 31, 2010		December 31, 2009 (*)	
	Base	Taxes	Base	Taxes
Property, plant and equipment	(225,200)	77,536	(259,308)	89,279
Provisions for risks and charges	330,771	(113,884)	320,264	(110,266)
Debt	(12,606)	4,340	(10,158)	3,497
TOTAL	92,965	(32,008)	50,798	(17,490)

(*) *Figures have been restated to reflect the change in accounting policy presented in note 2.3.*

There was approximately €0.7 million in unrecognized tax assets as of December 31, 2010 (around €1 million as of December 31, 2009).

3.10 Earnings per share and dividends

Basic earnings per share are calculated by dividing distributable net income attributable to owners of the parent for the period by the weighted average number of shares outstanding during the period.

The Group has no dilutive instruments. Diluted earnings per share are therefore identical to basic earnings per share.

3.11 Goodwill

Goodwill amounted to €5 thousand as of December 31, 2010, the same as of December 31, 2009.

3.12 Intangible assets

Figures have been restated to reflect the change in accounting policy presented in note 2.3.

Gross amount (in €thousands)	January 1, 2010	Additions	Disposals	Changes in consolidation scope and other	December 31, 2010
Purchased software	43,849	10,542	(2,101)		52,290
Other intangible assets	9,223	190		(5,592)	3,821
Concession intangible assets	8,032,502	170,037		5,592	8,208,131
TOTAL	8,085,574	180,769	(2,101)		8,264,242

Gross amount (in €thousands)	January 1, 2009	Additions	Disposals	Changes in consolidation scope and other	December 31, 2009
Purchased software	37,704	7,412		(1,267)	43,849
Other intangible assets	10,376	6,467		(7,620)	9,223
Concession intangible assets	7,881,128	151,374			8,032,502
TOTAL	7,929,208	165,253		(8,887)	8,085,574

Amortization (in €thousands)	January 1, 2010	Charges	Reversals on disposals	Changes in consolidation scope and other	December 31, 2010
Purchased software	(21,976)	(6,724)	2,101	(69)	(26,668)
Other intangible assets	(1,447)	(635)			(2,082)
Concession intangible assets	(3,516,085)	(220,822)		(206)	(3,737,113)
TOTAL	(3,539,508)	(321,463)	2,101	(275)	(3,765,863)

Amortization (in €thousands)	January 1, 2009	Charges	Reversals on disposals	Changes in consolidation scope and other	December 31, 2009
Purchased software	(17,874)	(4,406)		303	(21,976)
Other intangible assets	(2,555)	(802)		1,910	(1,447)
Concession intangible assets	(3,304,220)	(211,865)			(3,516,085)
TOTAL	(3,324,649)	(217,073)		2,213	(3,539,508)

Net amount (in €thousands)	January 1, 2010	December 31, 2010
Purchased software	21,873	25,622
Other intangible assets	7,570	1,739
Concession intangible assets	4,516,417	4,471,017
TOTAL	4,545,860	4,498,378

Net amount (in €thousands)	January 1, 2009	December 31, 2009
Purchased software	19,831	21,873
Other intangible assets	7,821	7,570
Concession intangible assets	4,576,908	4,516,417
TOTAL	4,604,560	4,545,860

Works signed for but not yet executed amounted to €69,751 thousand at December 31, 2010 and €173,108 thousand at December 31, 2009. These works mainly represent intangible assets.

3.13 Property, plant and equipment

Figures have been restated to reflect the change in accounting policy presented in note 2.3.

Gross amount (in €thousands)	January 1, 2010	Additions	Disposals	Changes in scope of consolidation and other	December 31, 2010
Concession operating assets	464,895	44,852	(6,416)	(676)	502,655
Other companies' assets	12,343	2,744	(419)	676	15,344
TOTAL	477,238	47,596	(6,835)		517,999

Gross amount (in €thousands)	January 1, 2009	Additions	Disposals	Changes in scope of consolidation and other	December 31, 2009
Concession operating assets	441,300	44,612	(3,143)	(17,874)	464,895
Other companies' assets	7,153	1,796	(42)	3,436	12,343
TOTAL	448,453	46,408	(3,185)	(14,438)	477,238

Depreciation (in €thousands)	January 1, 2010	Charges	Reversals on disposals	Changes in scope of consolidation and other	December 31, 2010
Concession operating assets	(324,752)	(34,421)	6,320	50	(352,803)
Other companies' assets	(3,430)	(2,431)	275	19	(5,567)
TOTAL	(328,182)	(36,852)	6,595	69	(358,370)

Depreciation (in €thousands)	January 1, 2009	Charges	Reversals on disposals	Changes in scope of consolidation and other	December 31, 2009
Concession operating assets	(293,658)	(34,699)	3,087	518	(324,752)
Other companies' assets	(3,494)	(2,117)	31	2,150	(3,430)
TOTAL	(297,152)	(36,816)	3,118	2,668	(328,182)

Net amount (in €thousands)	January 1, 2010	December 31, 2010
Concession operating assets	140,143	149,851
Other companies' assets	8,913	9,777
TOTAL	149,056	159,628

Net amount (in €thousands)	January 1, 2009	December 31, 2009
Concession operating assets	147,643	140,143
Other companies' assets	3,659	8,913
TOTAL	151,302	149,056

3.14 Current and non-current financial assets

3.14.1 Carrying amount of financial assets by accounting category

The financial assets presented in the tables below do not include “trade and other operating receivables” (see note 3.15) and “cash and cash equivalents” (see note 3.16).

Non-current financial assets (in €thousands)	December 31, 2010					Fair value
	Available-for-sale financial assets	Loans and receivables	Derivatives not qualified as hedging instruments	Derivatives qualified as hedging instruments	Carrying amount	
Non-consolidated equity investments	3,021				3,021	3,021
Loans to equity investments		63,928			63,928	63,928
Loans		1,483			1,483	1,483
Deposits and collateral		661			661	661
Derivative instruments			752	20,590	21,342	21,342
Other financial assets		203			203	203
Other financial receivables		4,126			4,126	4,126
Total non-current financial assets	3,021	70,400	752	20,590	94,763	94,763

Non-current financial assets (in €thousands)	December 31, 2009					Fair value
	Available-for-sale financial assets	Loans and receivables	Derivatives not qualified as hedging instruments	Derivatives qualified as hedging instruments	Carrying amount	
Non-consolidated equity investments	3,005				3,005	3,005
Loans to equity investments		49,855			49,855	49,855
Loans		1,545			1,545	1,545
Deposits and collateral		549			549	549
Derivative instruments			70	13,386	13,456	13,456
Other financial assets		203			203	203
Other financial receivables		7,977			7,977	7,977
Total non-current financial assets	3,005	60,130	70	13,386	76,591	76,591

Loans to equity investments as of December 31, 2010 included primarily €41,387 thousand for Alis (€39,909 thousand as of December 31, 2009) and €13,124 thousand for A’Liénor (€2,180 thousand as of December 31, 2009).

Current financial assets (in €thousands)	December 31, 2010					Fair value
	Available-for-sale financial assets	Loans and receivables	Derivatives not qualified as hedging	Derivatives qualified as hedging	Carrying amount	
Interest on loans to equity investments		1,506			1,506	1,506
Other financial assets		1			1	1
Other financial receivables		15,712			15,712	15,712
Total current financial assets		17,219			17,219	17,219

Current financial assets (in €thousands)	December 31, 2009					Fair value
	Available-for-sale financial assets	Loans and receivables	Derivatives not qualified as hedging instruments	Derivatives qualified as hedging instruments	Carrying amount	
Interest on loans to equity investments		1,003			1,003	1,003
Other financial assets		1			1	1
Other financial receivables		10,712			10,712	10,712
Total current financial assets		11,716			11,716	11,716

Other financial receivables amounting to €15,712 thousand as of December 31, 2010 included:

- the net value of all other debtors (€14,334 thousand as of December 31, 2010, against €9,397 thousand as of December 31, 2009, including Sanef and SAPN's TIS mandates);
- current accounts receivable from non-consolidated subsidiaries (€1,378 thousand as of December 31, 2010, versus €1,315 thousand as of December 31, 2009).

3.14.2 Analysis of non-consolidated affiliates

The non-consolidated affiliates are:

(in €thousands)	% interest held as of December 31, 2010	Carrying amount	
		December 31, 2010	December 31, 2009
- Soderane	99.99	15	15
- Sonora	99.8	8	8
- Centaure Pas de Calais	34	259	259
- Centaure Normandie	49.9	343	343
- Centaure Grand-est	14.45	131	131
- Autoroutes Trafic SNC	20.63	72	72
- GSA Location	100	500	500
- Sanef Concession	99.86	37	37
- V Flow Tolling Inc	30	2	2
- Gallieni Investissement 1	100	10	10
- Gallieni Investissement 2	100	10	10
- Eurotoll z.r.t.	100	18	18
- Skytoll a.s.	10	1,500	1,500
- Sogarel	5	100	100
- Cardus	100	16	
Total non-consolidated affiliates		3,021	3,005

There were no changes in non-consolidated affiliates between December 31, 2009 and December 31, 2010 other than the purchase of Cardus, which was acquired in order to respond to a call for tenders for tolling in Poland.

3.14.3 Derivatives

Derivatives include:

1. Interest rate swaps considered as fair value hedges, of which €20,589 thousand recorded in assets (€13,386 thousand as of December 31, 2009);
2. €752 thousand in caps, which do not qualify for hedge accounting, recorded in assets (€70 thousand as of December 31, 2009).

3.14.4 Information on loans and receivables in non-current financial assets

Building-related loans for a discounted amount of €1,188 thousand are included in the “Loans” category as of December 31, 2010 (€1,251 thousand as of December 31, 2009). These interest-free loans, which were granted to employees as part of the employer’s legal obligation to contribute to the construction effort, are to be repaid over a period of 20 years. The interest rate used to discount these loans (4%) is also used to calculate the corresponding financial income recognized in the statement of comprehensive income.

As of December 31, 2010, the €4,126 thousand in other financial receivables (€7,977 thousand as of December 31, 2009) represented the value discounted at a 6.5% rate of the €9 million receivable on the sale of the Masternaut Group. In 2010, an impairment loss of €3,406 thousand was recognized on this receivable to account for updated forecasts in 2010 for the future results of Masternaut, which would not allow the full recovery of this receivable.

3.15 Trade and other operating receivables

<i>(in €thousands)</i>	December 31, 2010	December 31, 2009
Prepayments and down payments on orders	62	50
Receivables from toll activities	88,649	85,823
Receivables from other activities	13,634	7,121
Doubtful accounts	9,079	5,683
Unbilled receivables	78,745	64,395
Provisions for impairment of trade receivables	(3,851)	(3,992)
Trade and other financial receivables (1)	186,319	159,080
Miscellaneous non-financial receivables	66,182	53,421
Total trade and other accounts receivable	252,500	212,501

(1) Financial assets classified as loans and receivables.

Trade and other operating receivables are classified as “loans and receivables” under IAS 39 and reported on the statement of financial position at face value, less any impairment.

Given their very short maturities, this valuation method is very close to amortized cost at the effective interest rate and to fair value.

Non-financial receivables include payroll and tax receivables other than any current income tax receivables.

3.16 Cash and cash equivalents

The accounting treatment for cash equivalents chosen by the Group is the same as that applied to financial assets at fair value through profit or loss. The carrying amount of cash and cash equivalents is the same as their fair value.

Analysis of cash and cash equivalents:

<i>(in €thousands)</i>	December 31, 2010	December 31, 2009
Cash equivalents: money-market mutual funds	37,477	60,496
Cash in bank	37,727	39,039
Total cash and cash equivalents	75,204	99,535

Sanef's policy is to invest its excess liquidity in money-market mutual funds with financial institutions rated A+ or higher by S&P.

3.17 Capital stock and additional paid-in capital

As of December 31, 2010 and December 31, 2009, Sanef had capital stock of €3,090,456, divided into 76,615,132 shares with a par value of €0.69295 per share. All shares are entitled to receive dividend payments. The €715,288 thousand in additional paid-in capital corresponds to the contributions of the shareholders in addition to the par value of the shares.

3.18 Provisions

As of December 31, 2010:

Non-current (in €thousands)	January 1, 2010	Additions	Reversals of unused provisions	Recoveries	Discounting effect	Change in scope and other	December 31, 2010
Provisions on car parks under concession	15,042	(74)		(1,287)	1,054	1,915	16,650
Provisions on toll roads under concession	270,741	39,311		(46,212)	15,030		278,870
Claims and litigation							
Tax risk							
Other							
Total	285,783	39,237		(47,499)	16,084	1,915	295,520

Current (in €thousands)	January 1, 2010	Additions	Reversals of unused provisions	Recoveries	Discounting effect	Change in scope and other	December 31, 2010
Provisions on car parks under concession	4,227					(1,915)	2,312
Provisions on toll roads under concession	6,179	2,893	(1,357)	(3,950)			3,765
Claims and litigation							
Tax risk							
Other	1,677						1,677
Total	12,083	2,893	(1,357)	(3,950)		(1,915)	7,754

TOTAL (in €thousands)	January 1, 2010	Additions	Reversals of unused provisions	Recoveries	Discounting effect	Change in scope and other	December 31, 2010
Provisions on car parks under concession	19,269	(74)		(1,287)	1,054		18,962
Provisions on toll roads under concession	270,741	39,311		(46,212)	15,030		278,870
Claims and litigation	6,179	2,893	(1,357)	(3,950)			3,765
Tax risk							
Other	1,677						1,677
Total	297,866	42,130	(1,357)	(51,449)	16,084		303,274

As of December 31, 2009, restated for the impact of IFRIC 12:

Non-current (in € thousands)	January 1, 2009	Additions	Reversals (surplus provisions)	Reversals (utilizations)	Discounting effect	Change in scope and other	December 31, 2009
Provisions on car parks under concession		14,252			790		15,042
Provisions on toll roads under concession	261,294	38,390		(43,445)	14,502		270,741
Claims and litigation							
Tax risk							
Other							
Total	261,294	52,642		(43,445)	15,292		285,783

Current (in € thousands)	January 1, 2009	Additions	Reversals (surplus provisions)	Reversals (utilizations)	Discounting effect	Change in scope and other	December 31, 2009
Provisions on car parks under concession		4,227					4,227
Provisions on toll roads under concession							
Claims and litigation	2,507	4,555	(170)	(348)		(365)	6,179
Tax risk							
Other	1,727					(50)	1,677
Total	4,234	8,782	(170)	(348)		(415)	12,083

TOTAL (in € thousands)	January 1, 2009	Additions	Reversals (surplus provisions)	Reversals (utilizations)	Discounting effect	Change in scope and other	December 31, 2009
Provisions on car parks under concession		18,479			790		19,269
Provisions on toll roads under concession	261,294	38,390		(43,445)	14,502		270,741
Claims and litigation	2,507	4,555	(170)	(348)		(365)	6,179
Tax risk							
Other	1,727					(50)	1,677
Total	265,528	61,424	(170)	(43,793)	15,292	(415)	297,866

3.19 Long-term employee benefits

Long-term employee benefits include post-employment defined benefit plans (termination benefits, Company's contribution to retirees' supplemental health insurance program) and other types of benefits (CATS early retirement program, long service awards). Analysis of total long-term employee benefits on the statement of financial position:

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
Post-employment defined benefit plans	22,045	21,123
Other benefits	<u>5,701</u>	<u>7,135</u>
Total	27,746	28,258

3.19.1 Post-employment defined benefit plans

Analysis of defined benefit plans:

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
Obligations and rights at the end of the period	24,280	23,723
Fair value of plan assets	<u>(2,216)</u>	<u>(2,600)</u>
Total net obligations	22,064	21,123
Unrecognized past service cost	(19)	0
Net liability on the statement of financial position	22,045	21,123

Main assumptions used to measure the above amounts:

	December 31, 2010	December 31, 2009
Discount rate	4.75%	5.00 %
Salary increase rate	3.00%	3.10 %
Life expectancy tables	INSEE 2003	INSEE 2003
Age of entry into professional life	20/24	20/24
Retirement age	60/64	60/64
Payroll tax rate	45 %	45 %

Defined benefit obligations are funded entirely by the Group with the exception of the retirement plan for key executives, which is partially funded.

Analysis of plans by funding	Dec 31, 2010	Dec 31, 2009
Totally or partially-funded liabilities		481
Non-funded liabilities	28,236	20,642
TOTAL	28,236	21,123

Post-employment defined benefit obligations over the last five years:

As of December 31,	2010	2009	2008	2007	2006
Obligations	24,280	23,723	19,848	22,832	22,502
fair value of plan assets	2,216	2,600	1,080	1,295	900
Net unfunded obligations	22,064	21,123	18,768	21,537	21,602

The following tables summarize the Group's obligations as of December 31, 2010 and December 31, 2009, and the fair value of the funded plan assets, for each type of obligation (pensions, termination benefits, retirement plans of the key executives) and supplemental health benefits for the retirees of SAPN.

Employee benefits	Termination benefits		Supplemental retirement plan		Supplemental health benefits		Total	
(in € thousands)	Dec 31, 2010	Dec 31, 2009	Dec 31, 2010	Dec 31, 2009	Dec 31, 2010	Dec 31, 2009	Dec 31, 2010	Dec 31, 2009
Obligations and rights at beginning of year	13,843	12,507	3,081	2,182	6,799	5,159	23,723	19,848
New commitments	21						21	
Current service costs	926	849	215	347	512	398	1,653	1,594
Interest expense	687	685	154	50	340	298	1,181	1,033
Actuarial gains (losses)	293	1,205		502	(191)	944	102	2,651
Benefits paid by the plan/company	(1,034)	(1,209)	(1,234)		(131)		(2,399)	(1,209)
Expenses paid								
Taxes paid								
Premium paid								
Curtailments (early retirements)								
Indemnities		(194)						(194)
Exchange differences								
Obligations and rights at end of year	14,736	13,843	2,216	3,081	7,329	6,799	24,281	23,723

Fair value of plan assets	Termination benefits		Supplemental retirement plan		Supplemental health benefits		Total	
(in € thousands)	Dec 31, 2010	Dec 31, 2009	Dec 31, 2010	Dec 31, 2009	Dec 31, 2010	Dec 31, 2009	Dec 31, 2010	Dec 31, 2009
Fair value of plan assets at beginning of year			2,600	1,080			2,600	1,080
New commitments								
Early return on investments (plan assets and redemption rights)			48	46			48	46
Actuarial gains (losses) (plan assets and redemption rights)			2	(26)			2	(26)
Employer contributions			800	1,500			800	1,500
Beneficiary contributions								
Benefits paid by the plan/company			(1,234)				(1,234)	
Expenses paid								
Taxes paid								
Premium paid								
Curtailments and indemnities								
Acquisitions/divestments								
Exchange differences								
Fair value of plan assets at end of year			2,216	2,600			2,216	2,600

Actuarial gains (losses) recognized in reserves	Termination benefits		Supplemental retirement plan		Supplemental health benefits		Total	
(in € thousands)	Dec 31, 2010	Dec 31, 2009	Dec 31, 2010	Dec 31, 2009	Dec 31, 2010	Dec 31, 2009	Dec 31, 2010	Dec 31, 2009
Actuarial gains (losses)	(293)	(1,205)	2	(528)	191	(944)	(100)	(2,677)
Impact of limitation of net assets								
Actuarial gains (losses) recognized in reserves	(293)	(1,205)	2	(528)	191	(944)	(100)	(2,677)

Cumulative actuarial gains (losses) recognized in reserves at end of year	Termination benefits		Supplemental retirement plan		Supplemental health benefits		Total	
(in € thousands)	Dec 31, 2010	Dec 31, 2009	Dec 31, 2010	Dec 31, 2009	Dec 31, 2010	Dec 31, 2009	Dec 31, 2010	Dec 31, 2009
Cumulative actuarial gains (losses) recognized in reserves at end of year	1,414	1,707	(2,545)	(2,547)	(753)	(944)	(1,884)	(1,784)

The total actuarial losses attributable to defined benefit post-employment obligations amounted to €100 thousand in 2010 (€2,677 thousand in 2009). These losses included €22 thousand on changes in assumptions regarding the discount and salary increase rates (€2,412 thousand in 2009), and €122 thousand in experience-related actuarial losses (€265 thousand in 2009).

3.19.2 Other benefits

Other benefits include the CATS early retirement program described below and long service awards.

CATS (*Cessation Anticipée de certains Travailleurs Salariés*), an early retirement program, allows salaried employees who reach 57 years of age between the years 2008 and 2016 and who have worked a certain number of years for the company as laborers to qualify for early-retirement benefits that are partially funded by the French government.

Provisions for the contributions of Sanef and SAPN to this program have been set aside as termination benefits and have been recognized since it was implemented in December 31, 2007 using a discount rate of 4.5%. As participation in this program is voluntary, the initial assumption was that all eligible employees will take advantage of these benefits.

At December 31, 2010 the provision was adjusted on the basis of membership recorded through 2010 and membership forecasts for eligible employees. The portion of the provision related to eligible employees who expressed their desire not to join the plan or left the company without the benefit of this plan was reversed (reversal without use). The provision was discounted at a rate of 4.75%.

(in €thousands)	2010			2009		
	CATS	Long service awards	TOTAL	CATS	Long service awards	TOTAL
As of January 1	6,171	964	7,135	7,469	933	8,402
Changes in scope of consolidation						
Additions		47	47		31	31
Reversals (utilizations)	(529)	(109)	(638)			
Reversals (surplus provisions)	(320)		(320)			
Discounting	(616)		(616)			
Actuarial (gains) losses		93	93	(1,298)		(1,298)
As of December 31	4,706	995	5,701	6,171	964	7,135

3.20 Financial liabilities by accounting category

Current and non-current financial liabilities:

<i>(in € thousands)</i>	December 31, 2010				
	Liabilities at amortized cost	Liabilities held for trading	Derivatives qualified as hedging derivatives	Carrying amount	Fair value
Borrowings: current and non-current portions	3,815,968			3,815,968	4,216,849
Central government advances	17,318			17,318	17,318
Deposits and guarantees received and other	23,278			23,278	23,278
Bank overdrafts	4			4	4
Accrued interest	103,862			103,862	103,862
Total financial liabilities excluding trade	3,960,431			3,960,431	4,361,312
Total trade and other financial payables (note 3.21)	241,047			241,047	241,047
Total financial liabilities as per IAS 39	4,201,478			4,201,478	4,602,359

<i>(in € thousands)</i>	December 31, 2009				
	Liabilities at amortized cost	Liabilities held for trading	Derivatives qualified as hedging derivatives	Carrying amount	Fair value
Borrowings: current and non-current portions	3,828,467			3,828,467	4,144,629
Bank overdrafts	1,726			1,726	1,726
Central government advances	17,318			17,318	17,318
Deposits and guarantees received and other	21,325			21,325	21,325
Accrued interest	118,671			118,671	118,671
Total financial liabilities excluding trade	3,987,507			3,987,507	4,303,669
Total trade and other financial payables (note 3.21)	211,996			211,996	211,996
Total financial liabilities as per IAS 39	4,199,503			4,199,503	4,515,665

Deposits and guarantees received correspond mainly to payments received from toll road toll subscribers. These payments are reimbursed in the event of the cancellation of the subscription, after the card or badge is returned. They are considered to be demand deposits and therefore are not discounted.

The fair value of all financial liabilities other than borrowings is equal to their carrying amount.

3.21 Trade and other accounts payable

<i>(in €thousands)</i>	December 31, 2010	December 31, 2009
Advances and down payments received on orders	20,749	28,844
Trade payables	113,440	105,928
Due to suppliers of non-current assets	78,412	58,503
Other financial payables	28,446	18,722
Total trade and other financial payables (1)	241,047	211,996
Taxes and payroll costs	123,546	114,677
Prepaid income	24,741	31,288
Total non-financial payables	148,286	145,966
Total trade and other accounts payable	389,333	357,962

(1) Financial liabilities stated at amortized cost.

As trade and other accounts payable are very short-term, their carrying amount approximates fair value.

3.22 Contingent liabilities

Claims and litigation

In the normal course of their business, Group companies are involved in a certain number of claims and legal proceedings. As of December 31, 2010, Sanef considers that no claims or litigation relating to its business are in progress that would be likely to have a material adverse effect on its results of operations or financial position (other than those risks for which provisions have been recognized in the financial statements).

Individual right to training (DIF)

Pursuant to Act No. 2004-391 voted on May 4, 2004 concerning professional training, the Group's French companies grant their employees the right to benefit from a minimum of 20 hours of training per calendar year. This benefit may be cumulated and accrued over a six-year period, at the end of which it is limited to 120 hours in case of non-utilization. Expenses related to utilization of these benefits are recognized as such when the employer and employee decide upon the type of training to be received.

As of December 31, 2010, accumulated training hours related to DIF rights totaled 296,132 hours.

"1% countryside development" contribution

Under the French government's countryside development policy, for toll road sections to be built or under construction, the Group contributes to the expenditure required to ensure that the toll road blends harmoniously into the local landscape, provided that the local authorities concerned contribute an equivalent amount.

<i>(in €thousands)</i>	December 31, 2010	December 31, 2009
"1% countryside development" contribution	1,934	1,621
Total	1,934	1,621

"1% countryside development" expenditure is made under the government policy described in a note dated December 12, 1995 on the environment and the economic development of regions served by the toll roads and major trunk roads. This expenditure is defined as follows in the concession agreement specifications: "For toll roads that are due to be built or are already under construction, the concession operator shall contribute to the expenditure needed to ensure that the toll road blends harmoniously into the landscape, in the interests of both

local inhabitants and toll road users. Such expenditure shall include maintenance costs and the cost of any necessary landscaping work, and may be incurred beyond the toll road's boundaries. The concession operator's contribution shall not exceed 0.5% of the cost of the engineering structures, provided that the local authorities concerned contribute an equivalent amount, on the basis prescribed by the French government" (Article 12.10).

However, the local authorities' contribution may be claimed only if a government decree is issued listing the toll road work. When the concession operator applies for investment grants based on this list, the work concerned becomes eligible for the "1% countryside development" scheme and the company becomes committed to paying a contribution.

Guarantees given:

Sanef has given guarantees totaling €2,500 thousand to a bank to participate in the electronic toll collection project for the beltway around Dublin. Together with an additional €7.5 million demand guarantee, the total exposure on this contract is now €10 million. Moreover, in addition to the three guarantees totaling €4,546 thousand given to this bank in favor of the economic interest grouping A65 Pau-Langon, the Company provided an additional €13,052 thousand in guarantees for the private subcontracting of the Fixed Operating Equipment (EFE) contract for the A65.

Sanef also provided a guarantee of €2,864 to a bank (€3,580 thousand first-call parent company guarantee as of December 31, 2009) as part of the satellite-based electronic toll project in Slovakia.

Moreover, Sanef gave €2,350 thousand in guarantees and counter-guarantees to A'Liénor, the concessionaire for A65.

This brings the total value of guarantees given as of December 31, 2010 to €32,955 thousand (€34,737 thousand as of December 31, 2009).

Guarantees received:

Sanef Group companies had received bonds and guarantees on contracts for a total of €40,310 thousand as of December 31, 2010 (€50,585 thousand as of December 31, 2009), of which €5,221 thousand for the private subcontracting of the EFE contract for the A65 as of December 31 of both 2010 and 2009.

3.23 Management of financial risks and derivative instruments

3.23.1 Market risks

Of the various types of market risk (interest rate risk, currency risk, and market risk on listed equities), Sanef is primarily exposed to interest rate risk.

The Group would be exposed to fair value risk in the event that the portion of Sanef's borrowings at fixed rates was bought on the market, while floating-rate borrowings could impact future financial results.

A significant portion of the Sanef Group's financial liabilities are at fixed rates. As shown in the table below, a small portion of these borrowings has been converted to floating rates using interest rate swaps. These swaps function as fair value hedges of the loans they cover. The Group contracted caps to allow it to limit the impact of any rise in interest rates. These instruments are not eligible for hedge accounting. All things considered, Sanef is exposed to only a limited risk of its financial expenses rising in the event that interest rates rise (see sensitivity analysis below).

Analysis of borrowing rates, prior to hedging:

<i>(in €thousands)</i>	December 31, 2010	December 31, 2009
Fixed rate	3,650,338	3,811,467
floating rate	165,630	17,000
Total	3,815,968	3,828,467

Analysis of borrowing rates, after hedging:

<i>(in €thousands)</i>	December 31, 2010	December 31, 2009
Fixed rate	3,296,749	3,478,467
floating rate	519,219	350,000
Total	3,815,968	3,828,467

Analysis of the hedging swaps as of December 31, 2010:

<i>(in €thousands)</i> Expiration	Market value as of December 31, 2010	Sanef receives fixed rate	Sanef pays floating rate	Nominal value
Early 2013	1,235	2.572%	3-month Euribor	50,000
Mid 2014	2,799	3.805 %	3-month Euribor	43,000
End of 2015	2,691	4.078 %	3-month Euribor	32,000
Early 2017	8,394	4.036 %	3-month Euribor	100,000
	2,504	3.316 %	3-month Euribor	58,000
	2,966	3.601 %	3-month Euribor	50,000
Total	20,589			333,000

As of December 31, 2009:

<i>(in €thousands)</i> Expiration	Market value as of December 31, 2009	Sanef receives fixed rate	Sanef pays floating rate	Nominal value
Early 2013	548	2.5725 %	3-month Euribor	50,000
Mid 2014	2,171	3.8050 %	3-month Euribor	43,000
End of 2015	2,028	4.0775 %	3-month Euribor	32,000
Early 2017	3,052	4.036 %	3-month Euribor	50,000
	3,052	4.036 %	3-month Euribor	50,000
	872	3.3155 %	3-month Euribor	58,000
	1,663	3.6010 %	3-month Euribor	50,000
Total	13,386			333,000

The fair value of Sanef's debt is sensitive to changes in interest rates insofar as a portion of this debt is at a fixed rate. A decrease in interest rates increases fair value, and an increase in interest rates decreases fair value. The variance between the fair value of the portion of the debt that is at a fixed rate and its carrying amount would only be taken to profit or loss if Sanef decided to make advance repayments of this debt, in order to respond to market opportunities.

Analysis of the value of Sanef's caps as of December 31, 2010:

<i>(in €thousands)</i> Expiration	Market value as of December 31, 2010	Interest rate	Nominal value
Early 2011	0	Cap 1.50% E3M at 0.28% flat	43,000
Mid 2011	4	Cap 1.50% E3M at 0.19% flat	100,000
End of 2011	19	Cap 1.50% E3M at 0.2015% flat	108,000
Early 2012	15	Cap 1.50% E3M at 0.26% flat	32,000
<i>Early 2012 (*)</i>	26	<i>Cap 1.50% E3M at 0.215% flat</i>	<i>43,000</i>
<i>Mid 2012 (*)</i>	8	<i>Cap 1.50% E3M at 0.28% flat</i>	<i>5,000</i>
<i>Mid 2012 (*)</i>	69	<i>Cap 1.50% E3M at 0.265% flat</i>	<i>45,000</i>
<i>Mid 2012 (*)</i>	206	<i>Cap 1.50% E3M at 0.235% flat</i>	<i>100,000</i>
<i>Mid 2012 (*)</i>	123	<i>Cap 1.50% E3M at 0.393% flat</i>	<i>50,000</i>
<i>End of 2012 (*)</i>	136	<i>Cap 1.50% E3M at 0.21% flat</i>	<i>50,000</i>
End of 2012	146	Cap 1.50% E3M at 0.51% flat	50,000
TOTAL	752		626,000

(*) These caps were contracted prior to December 31, 2010, but only come into effect during 2011.

As of December 31, 2009:

<i>(in €thousands)</i> Expiration	Market value as of December 31, 2009	Interest rate	Nominal value
Early 2011	70	Cap 1.50% E3M at 0.28% flat	43,000

Sensitivity of income and equity to changes in interest rates:

The sensitivity of interest flows for the floating rate instruments was calculated by taking into account all variable flows on non-derivative and derivative instruments. The analysis was prepared assuming that the amount of debt and financial instruments on the statement of financial position as of December 31 of both 2010 and 2009 remain constant over one year.

(in € thousands)	2010				2009			
	Earnings		Equity		Earnings		Equity	
	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease
Floating rate debt	(835)	835	-	-	(85)	85	-	-
Interest rate hedges	(1,665)	1,665	-	-	(1,665)	1,665	-	-
Interest rate derivatives (caps) not eligible for hedge accounting	1,401	(583)	-	-	101	(51)	-	-

A 50 basis point change in interest rates at the end of the reporting period would have resulted in an increase (decrease) in equity and earnings in the amounts indicated above. For the purposes of this analysis, all other variables are presumed to remain constant.

In addition, the Sanef Group has very little exposure to currency risk on transactions stemming from its normal course of business. Its financial debt as of December 31 of both 2010 and 2009 is denominated solely in euros. Sanef's income and expenses are likewise all denominated and paid in euros.

3.23.2 Credit risk

Credit risk represents the risk of financial loss to Sanef should a customer or counterparty to a financial instrument default on its contractual obligations.

The carrying amount of its financial assets, shown below, indicates maximum exposure to credit risk:

(in € thousands)	Note	as of December 31, 2010	as of December 31, 2009
Loans to affiliates	3.14	63,928	49,855
Loans	3.14	1,483	1,545
Derivatives	3.14	21,342	13,456
Deposits and guarantees	3.14	661	549
Trade and other financial receivables	3.15	186,319	159,080
Current financial assets	3.14	17,219	11,716
Cash and cash equivalents	3.16	75,204	99,535
Total		366,156	335,736

As of December 31, 2010, Sanef had trade and other accounts receivable totaling €186 million (€159 million as of December 31, 2009) and cash of around €75 million (€99 million as of December 31, 2009). These amounts indicate a very low exposure to credit risk, especially in view of the quality of the Group's customers and counterparties and the fact that all operating receivables are paid in cash or settled very quickly.

Sanef invests its surplus cash and enters into interest rate swaps and other derivatives only with leading financial institutions.

3.24.3 Liquidity risk

Liquidity risk is defined as the risk of a company not being able to honor payments on its borrowings or other commitments.

With the exception of capital expenditures, financing needs are not sufficiently material to make any borrowing difficulties likely.

Sanef's primary financial debt (loans from CNA and BNP/Dexia) is subject to covenants on the following two ratios:

- net debt/EBITDA
- EBITDA/net financial expenses.

As of December 31, 2010 and December 31, 2009 Sanef Group was in compliance with both covenants.

Analysis of borrowings by maturity:

Year	< 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	> 5 years	Total
2011	445,305						445,305
2012		266,106					266,106
2013			427,426				427,426
2014				384,500			384,500
2015					375,079		375,079
2016						326,228	326,228
2017						319,083	319,083
2018						586,369	586,369
2019							
2020						8,587	8,587
2021						231,040	231,040
2022						196,245	196,245
2023						250,000	250,000
After 2023							
December 31, 2010	445,305	266,106	427,426	384,500	375,079	1,917,552	3,815,968
December 31, 2009	416,188	445,669	265,985	401,749	333,722	1,965,154	3,828,467

As Sanef's financial debt all falls due prior to the expiration of its concession contract, and thanks to the predictability of its operating and investment cash flows, the Group will be able to obtain refinancing. At present, the Group cannot foresee any problems with its ability to obtain funding.

(in € millions)	Note	Carrying amount	Contractual cash-flows	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	> 5 years
Non-derivative financial liabilities								
Financial debt	3.20	3,919.8	4,992.1	340.7	312.8	448.3	1,634.1	2,256.2
Advances from the French central and regional governments	3.20	17.3	17.3	17.3				
Deposits, guarantees and other financial liabilities	3.20	23.3	23.3	23.3				
Trade accounts payable	3.21	212.6	212.6	212.6				
Other current liabilities	3.21	28.4	28.4		28.4			
Derivative financial liabilities								
Interest rate derivatives	3.20							
Total flows			5,273.8	593.9	341.2	448.3	1,634.1	2,256.2

3.24 Related parties

Sanef has not engaged in any commercial transactions with its shareholder, HIT, or the shareholders of that company. Equity-method and proportionally consolidated companies are presented in note 3.1.

As of December 31, 2010, the Group's loan to Alis (including €3.1 million in VAT) amounted to €29 million (€24.7 million as of December 31, 2009) and bore interest at a rate of 6%. The Group also has a €6.1 million shareholder advance (€5.8 million as of December 31, 2009) at 7%, and €2.5 million (excluding VAT) (€2.7 million as of December 31, 2009) in operating receivables payable in annual installments of €176.4 thousand through 2028.

As of December 31, 2010, the Sanef Group had a €13.1 million receivable from A'Liéonor (€2.2 million as of December 31, 2009).

3.25 Financial aggregates

<i>(in € thousands)</i>	Sanef	SAPN	SEA 14	Intercos	Subtotal: Toll road concessions	Intercos	Other	Sanef Group
Revenue (exc. construction)	1,074,098	341,711	7,562	(8,011)	1,415,360	(1,667)	38,013	1,451,706
EBITDA	707,399	244,189	303		951,890		6,789	958,679
EBITDA margin	65.9%	71.5%	4.0%		67.3%		17.9%	66.0%
Operating income, net	514,877	135,120	303		650,299		4,037	654,336

EBITDA is net operating income before depreciation, amortization and provisions.

3.26 Events after the end of the reporting period

No material event has occurred subsequent to the end of the reporting period.

SANEF

**STATUTORY AUDITOR'S REPORT ON THE
CONSOLIDATED FINANCIAL STATEMENTS**

(For the year ended December 31, 2011)



STATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

(For the year ended December 31, 2011)

This is a free translation into English of the Statutory Auditor's report issued in French and is provided solely for the convenience of English speaking readers. The Statutory Auditor's report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the Auditor's assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Sanef

30, boulevard Gallieni
92130 Issy-les-Moulineaux

To the Shareholders,

In compliance with the assignment entrusted to us by your General Meeting, we hereby report to you, for the year ended December 31, 2011, on:

- the audit of the accompanying consolidated financial statements of Sanef;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

*PricewaterhouseCoopers Audit SA, 63, rue de Villiers, 92208 Neuilly-sur-Seine Cedex
Telephone: +33 (0)1 56 57 58 59, Fax: +33 (0)1 56 57 58 60*

Société d'expertise comptable inscrite au tableau de l'ordre de Paris - Ile de France. Société de commissariat aux comptes membre de la compagnie régionale de Versailles. Société Anonyme au capital de 2,510,460 €. Siège social : 63 rue de Villiers RCS Nanterre 672 006 483. TVA n° FR 76 672 006 483.
Siret 672 006 483 00362. Code APE 6920 Z. Bureaux : Bordeaux, Grenoble, Lille, Lyon, Marseille, Metz, Nantes, Neuilly-Sur-Seine, Nice, Poitiers, Rennes, Rouen, Strasbourg, Toulouse.

I - Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group at December 31, 2011 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II - Justification of our assessments

In accordance with the requirements of article L.823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matter:

- Notes 2.7.1 and 2.17 to the consolidated financial statements describe the accounting treatment applied by the Group for the recognition and the maintenance of assets held under concession arrangements. As part of our assessment of the accounting rules and principles used by the Group, we verified the appropriateness of the aforementioned accounting methods and disclosures in the notes to the consolidated financial statements as well as their proper application.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III - Specific verification

As required by law and in accordance with professional standards applicable in France, we have also verified the information presented in the Group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

SANEF

***Statutory Auditor's report on the consolidated financial statements
For the year ended December 31, 2011 – Page 3***

Neuilly-sur-Seine, March 30, 2012

The Statutory Auditor
PricewaterhouseCoopers Audit

Xavier Belet



Sanef Group

CONSOLIDATED FINANCIAL STATEMENTS **For the year ended December 31, 2011**

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SUMMARY FINANCIAL STATEMENTS

1. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>(in € thousands)</i>	Notes	2011	2010
Operating income		1,595,773	1,635,305
Revenue	3.2	1,577,528	1,619,635
<i>of which revenue excluding construction</i>		<i>1,488,973</i>	<i>1,451,706</i>
<i>of which revenue from construction</i>		<i>88,555</i>	<i>167,929</i>
Other income	3.5	18,245	15,670
Operating expenses		(914,298)	(980,969)
Purchases and external expenses	3.3	(212,510)	(310,146)
<i>of which construction costs</i>		<i>(88,555)</i>	<i>(167,929)</i>
Payroll costs	3.4	(189,827)	(183,486)
Other expense	3.5	(4,597)	(4,857)
Taxes other than on income	3.6	(188,123)	(178,137)
Depreciation, amortization and provisions	3.7	(319,240)	(304,343)
Operating income, net		681,476	654,336
Interest expense	3.8	(213,325)	(216,373)
Other financial expenses	3.8	(40,989)	(31,046)
Financial income	3.8	29,746	23,503
Income before tax		456,908	430,420
Income tax	3.9	(163,407)	(147,269)
Share in net income of associates		(11,588)	(49)
Net income before non-controlling interests		281,912	283,102
Non-controlling interests		(18)	424
Net income attributable to owners of the parent		281,930	282,678

	3.10	2011	2010
Basic earnings per share <i>(in euros)</i>		3.68	3.70
Weighted average number of shares		76,615,132	76,615,132
Diluted earnings per share <i>(in euros)</i>		3.68	3.70
Weighted average number of shares		76,615,132	76,615,132

Other components of comprehensive income:

<i>(in € thousands)</i>	2011	2010
Net income	281,912	283,102
Fair value adjustment on cash flow hedges	(887)	
Actuarial gains and losses on post-employment programs	(1,088)	1,384
Tax effect	680	(477)
Fair value adjustment on cash flow hedges of associates (net of tax)	(14,012)	
Total income and expenses recognized directly in equity	(15,307)	907
Total income and expenses recognized during the year	266,605	284,009
Attributable to owners of the parent	266,623	283,585
Non-controlling interests	(18)	424

2. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS (in € thousands)	Notes	December 31, 2011	December 31, 2010
Goodwill		5	5
Intangible assets	3.13	4,336,187	4,498,378
Property, plant and equipment	3.14	179,695	159,628
Investments in associates	3.1	50,917	68,293
Non-current financial assets	3.15	103,524	94,763
Deferred tax assets			32,008
Total non-current assets		4,670,327	4,853,075
Inventories		11,435	6,112
Trade and other accounts receivable	3.16	246,451	252,500
Current financial assets	3.15	19,500	17,219
Cash and cash equivalents	3.17	76,255	75,204
Group of assets held for sale	3.12	19,887	
Total current assets		373,527	351,036
TOTAL ASSETS		5,043,854	5,204,111

EQUITY AND LIABILITIES (in € thousands)	Notes	December 31, 2011	December 31, 2010
Capital stock	3.18	53,090	53,090
Additional paid-in capital	3.18	715,288	715,288
Reserves and net income		(259,113)	(246,289)
Shareholders' equity		509,266	522,090
Non-controlling interests		94	517
Total equity		509,360	522,607
Non-current provisions	3.19	281,297	295,520
Provisions for long-term employment benefits	3.20	30,047	27,746
Non-current financial liabilities	3.21	3,428,000	3,370,662
Deferred taxes liabilities		4,693	
Total non-current liabilities		3,744,037	3,693,929
Current provisions	3.19	6,856	7,754
Current financial liabilities	3.21	412,494	589,769
Trade and other accounts payable	3.22	349,330	389,333
Current tax liabilities		631	720
Liabilities related to the group of assets held for sale	3.12	21,146	
Total current liabilities		790,457	987,575
TOTAL EQUITY AND LIABILITIES		5,043,854	5,204,111

3. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>(in € thousands)</i>	Capital stock	Additional paid-in capital	Accumulated translation adjustments	Consolidated reserves and net income	Shareholders' equity	Non-controlling interests	Total equity
As of January 1, 2011	53,090	715,288	43	(246,331)	522,090	517	522,607
Dividends				(280,035)	(280,035)	(8)	(280,043)
Recognized income and expenses				266,623	266,623	(18)	266,605
Share-based payments				331	331		331
Other (*)			9	248	257	(397)	(140)
As of December 31, 2011	53,090	715,288	52	(259,164)	509,266	94	509,360

(*) of which additional purchases of non-controlling interests

<i>(in € thousands)</i>	Capital stock	Additional paid-in capital	Accumulated translation adjustments	Consolidated reserves and net income	Shareholders' equity	Non-controlling interests	Total equity
As of January 1, 2010	53,090	715,288	43	(274,366)	494,055	122	494,177
Dividends				(255,153)	(255,153)	(8)	(255,161)
Recognized income and expenses				283,585	283,585	424	284,009
Share-based payments				430	430		430
Other (*)				(827)	(827)	(21)	(848)
As of December 31, 2010	53,090	715,288	43	(246,331)	522,090	517	522,607

(*) of which additional purchases of non-controlling interests

4. CONSOLIDATED STATEMENT OF CASH FLOWS

<i>(in € thousands)</i>	2011	2010
OPERATING ACTIVITIES		
Operating income, net	681,476	654,336
Depreciation, amortization and provisions	326,915	310,137
Recoveries of depreciation, amortization and provisions	(455)	(7,335)
Disposal gains and losses	(143)	(373)
Change in inventories	(5,322)	5,508
Change in trade and other accounts receivable	5,739	(66,119)
Change in trade and other accounts payable	(91,594)	(39,458)
Taxes paid	(125,241)	(159,199)
	791,374	697,496
INVESTING ACTIVITIES		
Additions to property, plant and equipment	(60,641)	(25,265)
Additions to intangible assets	(117,939)	(181,479)
Proceeds from disposals of property, plant and equipment and intangible assets	364	628
Additions to non-current financial assets	(15,599)	(39,832)
Proceeds from disposal of non-current financial assets		4
Reimbursement of non-current financial assets	1,539	
Net cash held by subsidiaries on acquisition/disposal	(149)	
Interest income	2,107	1,509
Dividend received	160	304
	(190,158)	(244,131)
FINANCING ACTIVITIES		
Dividends paid to owners of the parent	(280,035)	(255,153)
Dividends paid to non-controlling shareholders	(11)	(8)
New borrowings	772,313	402,824
Reimbursement of borrowings	(891,274)	(418,519)
Investment grants (gross)	5,313	322
Interest expense	(205,676)	(207,162)
	(599,370)	(477,696)
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,846	(24,331)
CASH AND CASH EQUIVALENTS – AT JANUARY 1	75,204	99,535
Cash and cash equivalents - end of period, including from assets held for sale	77,050	
Cash and cash equivalents from assets held for sale	1,372	
CASH AND CASH EQUIVALENTS – AS OF DECEMBER 31	75,678	75,204

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 INFORMATION CONCERNING THE GROUP

The Sanef Group holds two concessions granted by the French government, through which it manages the construction and operation of 1,772 kilometers of toll roads, engineering structures and facilities. Of this total, Sanef manages 1,393 kilometers and SAPN manages 379 kilometers. As of December 31, 2011 and December 31, 2010, the Group managed a total network of 1,757 kilometers.

Both Sanef and SAPN are parties to the concession arrangements, which expire in 2029.

The primary concession arrangements are similar for both companies, and the attached specifications constitute the fundamental instruments establishing the relationships between the French government as grantor and both companies. In particular, these arrangements set out the terms and conditions for the construction and operation of the toll roads, the applicable financial provisions, the duration of the concession and the terms under which the installations are to be recovered at the end of the concession.

The provisions most likely to influence the outlook of the Group's operations include:

- the obligation to maintain all engineering structures in a good state of repair and to ensure the continuity of traffic circulation under good safety conditions and in good working order;
- the provisions setting toll rates and the conditions for changes thereto;
- the clauses providing for applicable provisions in the event of regulatory changes of a technical or tax nature applicable to toll road operators. If such a change was liable to seriously compromise the financial equilibrium of the concessions, the French government and the concession operators would agree the compensation to be envisaged by common accord;
- the provisions liable to guarantee that all of the engineering structures of the concession have been placed in a proper state of repair on the date the contract expires;
- the conditions under which the assets are to be turned back over to the French government at the end of concession and the restrictions placed upon the assets;
- the ability of the French government to buy out the concession arrangements in the general interest.

In the context of the privatization of the Company, the French government announced its desire to modify the concession arrangements awarded to Sanef via amendments to the agreements that were approved by the boards of directors of Sanef and SAPN on April 27 and May 4, 2006, respectively.

Lastly, on December 31, 2004, long-term program agreements (*contrats d'entreprise*) were signed by Sanef Group companies and the French government, defining capital expenditure programs and tariff policies for 2004-2008. The long-term program agreement between Sanef and the French government for the subsequent period - 2010-2014 - was signed in early 2011, while SAPN's agreement is still being negotiated.

Sanef's registered office is located at 30 boulevard Gallieni – 92130 Issy-les-Moulineaux – France.

2 ACCOUNTING POLICIES

2.1 Applicable accounting principles

Sanef's 2011 consolidated financial statements have been prepared in accordance with the international accounting standards published by the International Accounting Standards Board (IASB), as approved by the European Union on December 31, 2011. The texts published by the IASB and not adopted by the EU are not applicable to the Group.

They have been prepared on the historical cost basis, unless specifically stated below. The preparation of the financial statements requires the use of estimates and making of choices regarding the manner in which these standards are applied to certain transactions.

The following standards and interpretations are applicable with effect from 2011:

- IAS 24R *Related Party Disclosures*. The standard has been revised for disclosures in respect of related parties. This revision did not impact the Sanef Group's consolidated financial statements.
- May 2010 IFRS annual improvement process: the amendments included in this IFRS annual improvement process are applicable to years beginning on or after July 1, 2010 at the earliest (varies by amendment) and affect 7 standards and interpretations. They did not have a material impact on the Group's consolidated financial statements.

The following new standards and interpretations are also effective mandatorily starting with the 2011 financial statements, but are not applicable to Sanef, in light of the nature, activities, and organization of the Group.

- Amendment to IAS 32 *Financial instruments: Presentation* regarding the classification of subscription rights issued.
- Amendment to IFRIC 14 *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*, for prepayments made under a minimum funding requirement.
- IFRIC 19 *Extinguishing Financial Liabilities with Equity Instruments*.

Estimates and judgments:

The preparation of the consolidated financial statements required Management to make certain judgments and to include certain estimates and assumptions. Those estimates and their underlying assumptions were based on past experience and other factors deemed reasonable under the circumstances.

They served as the basis for the judgments that were made, as the information required to determine the carrying amounts of certain assets and liabilities could not be obtained directly from other sources. Actual values may differ from these estimates.

Significant estimates made by the Group relate to the valuation of concession intangible assets in view of a potential impairment, depreciation periods for replaceable assets, the recoverable value of goodwill, provisions (particularly provisions for infrastructure maintenance, and impairment of receivables).

2.2 Approval of the consolidated financial statements

The Sanef Group's consolidated financial statements were approved by the Board of Directors on February 15, 2012. The shareholders' meeting that will approve these financial statements is scheduled for April 16, 2012.

2.3 Consolidation method

The consolidated financial statements include the financial statements of Sanef, its controlled subsidiaries and its associates, established at the end of each reporting period. The financial statements of subsidiaries and associates are prepared for the same period as those of the parent company.

Subsidiaries are fully consolidated when they are controlled by the Group. Such control is established when the Group has the direct or indirect power to make decisions relating to operations and finance in order to obtain full advantages from the subsidiary.

Non-controlling interests are presented on the statement of financial position in a separate category from equity. The share of non-controlling interests in income is presented on a separate line of the statement of comprehensive income.

Subsidiaries that are jointly controlled are proportionally consolidated.

Companies over which the Group exercises notable influence ("associates") are consolidated using the equity method. Notable influence is presumed when the Group holds more than 20% of a company's shares. If this criterion is not met, other criteria – such as whether the Group is represented on the company's Board of Directors – are considered when deciding whether or not to apply the equity method.

Companies that have been newly acquired are consolidated as from the effective date control is acquired. Their assets and liabilities are valued at that date in accordance with the acquisition method used.

2.4 Translation of foreign currencies

In Group companies, transactions in foreign currencies are translated using the exchange rate in effect at the time they occur. Money market assets and liabilities denominated in foreign currencies are translated at the closing exchange rate for the period. Any translation gains and losses are recognized in the statement of comprehensive income as other financial income and expense.

The subsidiaries and equity investments located outside of the eurozone use their local currency as operating currency and this currency is used for the majority of their transactions. Their statements of financial position are translated using the exchange rate in effect at the end of the reporting period, while their statements of comprehensive income are translated using the average annual exchange rate. Any gains or losses that may result from the translation of the financial statements of these subsidiaries and affiliates are recognized in consolidated equity under "Cumulative translation adjustments." Goodwill on these subsidiaries is recognized in the local functional currency.

2.5 Segment data

The Group is not obliged to provide segment data, as defined in IFRS 8. However, some indicators presenting the concessions separately from other activities (basically telematics) are presented in note 3.26.

2.6 *Goodwill*

Goodwill represents the difference between the acquisition price (including ancillary costs incurred before the application of the revised IFRS 3) of the shares of companies that are controlled by the Group and the Group's share in the fair value of their net assets at the date control is acquired. It corresponds to non-identifiable items within the acquired companies. In accordance with IFRS 3 *Business Combinations*, goodwill is not amortized.

The Group has a period of 12 months from the date of acquisition to finalize the accounting for any business combinations.

Goodwill is tested for impairment as soon as there is an indication of a loss of value, and at least once per year. For this test, goodwill is allocated at the cash-generating unit level, representing the smallest groups of assets generating autonomous cash flows, compared to the total cash flows of the Group.

2.7 *Intangible assets*

2.7.1 *Intangible assets held under concession arrangements*

In accordance with IFRIC 12, intangible assets held under concession arrangements represent the contractual right to use the public service infrastructure made available by the government and to charge users of the public service. The infrastructure must be returned to the government without charge at the end of the concession period.

The concession covers all land, engineering structures and facilities required for the construction, maintenance and operation of each toll road or section of toll road, including on- and off-ramps, out-buildings and other facilities used to provide services to toll road users or designed to optimize toll road operations. Assets may include either original infrastructure or complementary investments on toll roads in service.

On initial recognition, the assets are measured based on the fair value of the construction or improvement work performed on the infrastructure with a contra-entry in profit or loss, corresponding to the revenue recognized for the services performed for the government granting the concession. In practice, fair value is equal to the cost of construction work entrusted to third parties and recognized in other external expenses. Intangible assets held under concession arrangements are amortized over the life of the concession (the Group's main concessions expire in 2029) at a pace that reflects the consumption of economic benefits expected from the intangible right conceded (on a straight-line basis for mature concessions and based on traffic forecasts for new concessions).

2.7.2 *Other intangible assets*

The remaining intangible assets consist mainly of software purchased by the Group. They are recognized at cost and are amortized on a straight-line basis over a period of three to five years, depending on their useful life.

Currently, development expenses are mainly charged to the statement of comprehensive income in the period during which they are incurred, as they do not meet the requirements for capitalization.

2.8 *Property, plant and equipment*

Following the adoption of IFRIC 12, only the replaceable assets that are not controlled by the grantor, such as toll booth equipment, signage, remote transmission and video-surveillance systems, computer equipment, vehicles, machinery and tools are classified as "property, plant and equipment" in the Sanef Group financial statements. They are depreciated on a straight-line basis over their useful life.

Useful lives	Number of years
Equipment and tools	5 to 8 years
Computer hardware	3
Vehicles	5
Facilities	8

2.9 *Impairment testing of goodwill, other intangible assets and property, plant and equipment*

The legal stipulations and the financial provisions of the concession contracts require that each contract be associated with a cash generating unit (CGU). The value in use of these CGUs is determined by discounting all future net cash flows. Impairment losses are recognized when the recoverable amount of the asset is less than the carrying amount of the goodwill, other intangible assets and property, plant and equipment associated with the CGU. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. Impairment losses are credited to the asset account in question.

The future cash flows used to determine value in use are those defined during the preparation of Sanef's budget and strategic plan, and are management's best estimate of all economic conditions that exist over the asset's remaining useful life. The assumptions are determined on the basis of past experience and independent sources.

2.10 *Financial instruments*

The measurement and recognition of financial assets and liabilities are defined by IAS 39 *Financial Instruments: Recognition and Measurement*.

2.10.1 *Non-derivative financial assets*

When first recorded on the statement of financial position, financial assets are stated at fair value plus transaction costs.

At the date of acquisition, and depending on the purpose of the acquisition, Sanef classifies the financial asset in one of the three accounting categories of financial assets defined by IAS 39. This classification then determines the measurement method applied to the financial asset in future periods: amortized cost or fair value.

Held-to-maturity investments include solely securities with fixed or determinable cash flows and maturities, other than loans and receivables that are purchased with the intention of keeping them until their maturity. These are stated at amortized cost using the effective interest rate method. The net income/loss on held-to-maturity investments will reflect either interest income or impairment. The Group does not currently hold any financial assets belonging to this category.

Loans and receivables are non-derivative financial instruments with fixed or determinable cash flows that are not quoted in a regulated market. These assets are stated at amortized cost using the effective interest rate. This category includes trade receivables, receivables from affiliates, guarantee deposits, financial advances,

guarantees and other loans and receivables. Loans and receivables are recognized net of any provisions for impairment due to default risk. Net gains and losses on loans and receivables reflect either interest income or impairment losses.

Available-for-sale assets are stated at fair value, and any change in fair value is recognized directly in equity. This category primarily includes non-consolidated affiliates. These assets are recognized on the statement of financial position at cost, in the absence of an active market. Net gains or losses on available-for-sale assets recognized in income and expenses include dividends, impairment losses and capital gains and losses.

Financial assets at fair value through profit or loss include financial assets and liabilities held for trading which the Group intends, from the date of purchase, to sell or trade within the short term and financial assets that are, on initial recognition, designated as under the fair value option. The Sanef Group is not meant to own and does not own any financial assets held for trading. They are measured at fair value, with changes in fair value recognized through profit or loss in the statement of comprehensive income. Financial assets at fair value through income, designated as such on option, include cash and cash equivalents. The net income or loss on these assets at fair value includes interest income, changes in fair value and capital gains and losses.

Cash includes amounts held in bank current accounts. Cash equivalents are highly liquid investments, maturing in less than three months that do not present any material risk of loss of value. Cash equivalents are included in the category of financial assets at fair value through profit or loss.

2.10.2 Non-derivative financial liabilities

Financial liabilities include borrowings, trade accounts payable and other payables related to operations.

With the exception of financial liabilities measured at fair value through profit or loss, loans and other interest-bearing financial liabilities are stated at amortized cost using the effective interest rate method, which includes a yield-to-maturity based amortization of transaction costs directly linked to the issuance of the financial liability. Given their short maturity, trade and other accounts payable are stated at cost, as the amortized cost method using the effective interest rate method provides very similar results.

2.10.3 Derivatives

Derivative instruments are stated on the statement of financial position at their positive or negative fair value.

Any derivatives put in place in connection with the Group's interest rate management strategy but that do not qualify as hedging instruments, or where the Group has not elected to use hedge accounting, are stated on the statement of financial position at fair value, with changes in fair value through profit or loss.

In cases where these instruments qualify as fair value hedges, changes in fair value are recognized through profit and loss. A change in the fair value that goes against the hedged position, resulting from the risk that is covered, is recognized through profit or loss with a contra entry on the statement of financial position. Given the types of derivative instruments used by the Group, this accounting method has no material impact on the statement of comprehensive income.

Changes in the fair value of derivative instruments that do not qualify as hedging instruments are recognized through profit or loss.

Cash flow hedges are hedges of exposure to fluctuations in cash flows attributable to a particular risk associated with an asset or liability or a planned transaction which would affect reported net income. When derivative instruments qualify as cash flow hedges, any change in the fair value of the effective portion is recognized directly in equity, while any change in the fair value of the ineffective portion is recognized through profit or loss.

2.11 *Inventories*

Inventories consist primarily of fuel and salt. They are stated at weighted average cost and written down to their net realizable value if it is lower.

2.12 *Trade and other accounts receivable*

Trade receivables are initially recognized at fair value and subsequently measured at amortized cost. Trade receivables are recognized in the short term on the basis of their face value, as discounting has no significant impact.

Impairment of trade receivables is recognized when there is objective evidence of the Group's inability to collect all or a portion of the amounts due.

2.13 *Recognition of income taxes*

Taxes include both current income tax expense and deferred taxes.

Tax receivables and payables generated during the year are classified as current assets or liabilities.

Deferred taxes are recognized on all temporary differences between the carrying amount of assets and liabilities and their tax basis. This method consists of calculating deferred taxes using the tax rates expected to apply when the temporary differences reverse, if such tax rates have been enacted. Deferred tax assets are recognized only when it is probable that they will be recovered in the future. Deferred tax assets and liabilities are offset against one another, regardless of when they are expected to reverse, where they concern entities in the tax group. Deferred taxes are not discounted to their present value and are recognized on the statement of financial position as non-current assets and liabilities.

2.14 *Equity*

All costs directly attributable to the capital increases are deducted from additional paid-in capital.

Dividend distributions to Sanef shareholders are recognized as a liability in the financial statements of the Group on the date the dividends are approved by the shareholders.

2.15 *Share-based payments*

Employee compensation in the form of equity instruments is recognized as an expense, with a contra entry to additional paid-in capital. In accordance with IFRS 2 *Share-based Payment*, they are stated at fair value of the instruments granted and the expense is spread over the vesting period.

2.16 *Interest expenses*

The interest expenses generated during the building of conceded engineering structures are included in the building cost of these structures.

2.17 *Current and non-current provisions*

In accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, a provision is recognized when the Group has an obligation to a third party arising from a past event and it is probable that an outflow of resources will be required to fulfill this obligation.

Non-current provisions mainly correspond to the contractual obligation to maintain or restore the infrastructure (excluding any improvements). These provisions are measured based on the Group's best estimate of the future expenditure required to renew toll road surfaces and maintain engineering structures and are set aside as the infrastructure is used. They are discounted using a discount rate representing the time value of money. The impact of discounting non-current provisions is recognized in "Other financial expenses".

2.18 *Employee defined benefit obligations*

Salaried employees of the Sanef Group receive lump-sum termination benefits which are paid to those employees who are actively employed by Sanef when they retire. Furthermore, employees who retire from the subsidiary SAPN are entitled to partial coverage of their healthcare insurance premium contribution. A supplemental defined benefit retirement plan was also set in place in 2005.

Prior to retirement, employees are paid defined benefits by the Group in the form of long service awards.

These defined benefit obligations are recorded on the statement of financial position and measured using the projected unit credit method, based on estimated future salaries. Expenses recognized during the year comprise current service costs during the year, with the financial cost corresponding to the reversal of the discounting of the actuarial obligation. This expense is charged against any income from the plan assets used to cover these obligations.

As allowed by IAS 19 *Employee Benefits*, the Group has elected to recognize all actuarial gains and losses arising from the measurement of defined benefit obligations directly through reserves.

2.19 *Revenue recognition*

Revenues consist nearly entirely of toll receipts and are recognized as the corresponding services are provided.

In accordance with IFRIC 12, the Sanef Group recognizes in "Revenue" an amount corresponding to the fair value of the construction and improvement work performed for the grantor of the concession, with a contra-entry in intangible assets (see note 2.7). Fair value is equal to the cost of construction work subcontracted to third parties and recognized in "Purchases and external expenses". In accordance with IAS 11, revenue and construction costs are recognized by reference to the stage of completion of the contract.

2.20 *Financial income and expenses*

Interest expense includes interest payable on borrowings, calculated using the amortized cost method at the effective interest rate.

The result on hedging derivatives includes changes in fair value and all flows exchanged.

Other financial income and expenses includes revenues from loans and receivables, calculated using the amortized cost method at the effective interest rate, as well as gains on investments of cash and cash equivalents, impairment of financial assets, dividends and foreign exchange gains and losses.

2.21 *Measuring the fair value of financial instruments*

The fair value of all financial assets and liabilities is determined at the end of the financial period and is recognized either directly in the financial statements or in the notes to the financial statements. The fair value is the amount for which an asset could be exchanged or for which a liability could be extinguished between informed, consenting parties at arm's length.

Most derivative instruments (swaps, caps, collars, etc.) are traded in over-the-counter markets for which there are no quoted prices. As a result, they are measured on the basis of models commonly used by the players involved to measure such financial instruments, using the market conditions existing at the end of the reporting period.

The following valuation techniques, all classified as level 2 of the categories of fair values under IFRS 7, are used to determine the fair value of derivative instruments:

- Interest rate swaps are measured by discounting all future contractual cash flows;
- Options are measured using valuation models (e.g. Black & Scholes) that are based on quotes published on an active market and/or on listings obtained from independent financial institutions;
- Currency and interest rate derivative instruments are measured by discounting the differential in interest payments.

The fair value of unlisted loans is calculated by discounting the contractual flows, one borrowing at a time, at the interest rate Sanef would obtain on similar borrowings at the end of the borrowing period.

The carrying amount of receivables and payables due within one year and certain floating rate receivables and payables is considered to be a reasonable approximation of their fair value, taking into account the short payment and settlement periods used by Sanef.

The valuations generated by these models are adjusted in order to take into account changes in Sanef's credit risk.

2.22 *Assets held for sale*

In accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*, a non-current asset or group of assets must be classified as held for sale if its carrying amount will be recovered principally through a sale or exchange for other assets rather than continuing use.

For this to be the case, the asset (or disposal group) must:

- be available for immediate sale;
- in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups); and
- its sale must be highly probable.

For the sale to be highly probable:

- the appropriate level of management must be committed to a plan to sell the asset (or disposal group);
- an active program to locate a buyer and complete the plan must have been initiated;
- the asset (or disposal group) must be actively marketed for sale at a price that is reasonable in relation to its current fair value;
- the sale should be expected to qualify for recognition as a completed sale within one year from the date of classification; and
- actions required to complete the plan should indicate that it is unlikely that significant changes to the

plan will be made or that the plan will be withdrawn.

Before the initial classification of the asset (or disposal group) as held for sale, the carrying amounts of the asset (or all the assets and liabilities in the group) are measured in accordance with applicable IFRSs. Assets (or disposal groups) classified as held for sale are no longer depreciated or amortized.

Non-current assets or disposal groups that are classified as held for sale are carried at the lower of carrying amount and fair value less costs to sell.

Assets and liabilities included within a disposal group classified as held for sale are presented as current assets and liabilities on a separate line of the statement of financial position.

Details of assets and liabilities concerned by these assets held for sale are presented in note 3.12.

2.23 Reporting standards and interpretations not yet in effect

Certain standards and interpretations have been definitively adopted by IASB and the IFRIC but are still being validated by the EU authorities and therefore not yet applicable, and Sanef has not applied them early in its 2011 consolidated financial statements.

The application of IFRS 10 *Consolidated Financial Statements*, IFRS 11 *Joint Arrangements*, IFRS 12 *Disclosures of Interests in Other Entities*, IFRS 13 *Fair Value Measurement*, IFRS 9 *Financial Instruments*, IAS 27 revised *Consolidated and Separate Financial Statements* and IAS 28 revised *Investments in Associates and Joint Ventures*, as well as of the amendments to IFRS 7 *Financial Instruments: Disclosures*, to IFRS 1 regarding severe inflation, to IAS 1 *Presentation of Financial Statements* regarding the presentation of other components of comprehensive income, to IAS 12 regarding the recovery of deferred taxes on underlying assets and IAS 19 *Employee Benefits* will have a potential impact on the Group that is not known at this time.

3 DETAILS OF THE SUMMARY FINANCIAL STATEMENTS

3.1 Scope of consolidation

The Sanef Group consists of the parent company Sanef and the following subsidiaries:

Company	Activity	Consolidation Method
SAPN	Toll road concession operator	Full consolidation
Eurotoll	Telematics	Full consolidation
Bet'Eire Flow	Telematics	Full consolidation
SEA 14	Toll road operator	Full consolidation
Sanef d.o.o	Engineering services	Full consolidation
Slov Toll	Engineering services	Full consolidation
San Toll	Engineering services	Full consolidation
Sanef Tolling	Engineering services	Full consolidation
Sanef Aquitaine	Toll road operator	Full consolidation
ASL	Logistics	Full consolidation
<i>Sanef-SABA Parkings France</i>	<i>Parking garage concessions</i>	<i>Proportional consolidation (*)</i>
Alis	Toll road concession operator	Equity method
Routalis	Toll road operator	Equity method
A'Lienor	Toll road concession operator	Equity method

(*) As from June 30, 2011, the assets and liabilities of Sanef Saba Parkings France have been classified as "Assets held for sale" and "Liabilities related to assets held for sale" in accordance with the provisions of IFRS 5 (see note 13.2).

On March 25, 2011 the Sanef Group acquired the remaining 30% of the English company Sanef Tolling Limited that it did not already own.

On October 31, 2011 the Group acquired the remaining shares of ASL that it did not already own, and the non-operating subsidiary is now wholly owned.

3.1.1 Investments in associates

Summary financial highlights:

<i>2011</i> <i>(in € thousands)</i>	A'LIENOR	ALIS	ROUTALIS
<i>% interest</i>	<i>35%</i>	<i>19.67%</i>	<i>30%</i>
Assets	1,240,762	929,809	4,234
Liabilities	971,622	728,000	2,807
Equity	269,140	201,809	1,427
Revenue	34,891	53,642	10,790
Operating profit (loss)	9,425	24,625	2,467
Profit (loss) before tax	(34,623)	(21,550)	2,444
Net income (loss)	(34,623)	(21,550)	1,383

<i>2010</i> <i>(in € thousands)</i>	A'LIENOR	ALIS	ROUTALIS
<i>% interest</i>	<i>35%</i>	<i>19.67%</i>	<i>30%</i>
Assets	1,208,796	931,512	3,617
Liabilities	928,493	704,070	3,013
Equity	280,303	227,442	604
Revenue	1,690	50,210	9,194
Operating profit (loss)	701	22,919	1,111
Profit (loss) before tax	(915)	(20,850)	1,070
Net income (loss)	(915)	(20,850)	560

Sanef stopped recognizing its share of Alis's losses, as they exceeded the value of its investment. The unrecognized share of Alis's losses amounted to €4.2 million in 2011 and €23.2 million in aggregate.

3.2 Revenue

<i>(in € thousands)</i>	2011	2010
Toll receipts	1,382,615	1,332,125
Subscription sales and telematics services	19,441	14,543
Fees from service area operators	27,680	26,060
Telecommunications fees	6,253	6,996
Engineering services and other	52,985	71,981
Revenue from activities other than toll receipts	106,358	119,581
Revenue from construction work performed by third parties	88,555	167,929
Revenue	1,577,528	1,619,635

Subscription sales and telematics services include the billing of management fees on subscriptions and sales of equipment and the processing of information collected by these devices.

Fees from service station and other service area operators correspond to fees received from the operators of service stations and other retail outlets located in toll road rest and service areas.

Telecommunications fees correspond mainly to the rental of fiber optic cables and masts to telecoms operators.

Engineering services and other includes sales of fuel, the various services provided on the network or in close proximity and the services provided by the non-toll road operator subsidiaries (Bet Eire Flow, parking garages, Slovakia, etc.) as well as in 2010 chargebacks related to the A65 (Fixed Operating Equipment contract).

3.3 *Purchases and external expenses*

<i>(in € thousands)</i>	2011	2010
Purchases and change in inventory	(27,788)	(41,954)
Maintenance of infrastructure	(20,312)	(17,205)
Maintenance and repair	(12,491)	(14,899)
Other external expenses	(63,364)	(68,159)
Expenses for construction work carried out by third parties	(88,555)	(167,929)
Purchases and external expenses	(212,510)	(310,146)

3.4 *Payroll costs*

<i>(in € thousands)</i>	2011	2010
Salaries and wages	(114,321)	(113,843)
Payroll taxes	(54,607)	(52,819)
Incentive plan	(6,216)	(4,710)
Employee profit-sharing	(10,990)	(10,776)
Cost of stock option plans	(331)	(430)
Post-employment and other long-term employee benefits	(3,361)	(907)
Payroll costs	(189,827)	(183,486)

Abertis set up stock options plans in favor of the members of the Sanef Management Committee, in 2008 (2008 plan), 2009 (2009 plan) and 2010 (2010 plan). Abertis did not set up any new stock option plans in favor of the members of the Sanef Management Committee in 2011. These plans gave rise to an expense of €331 thousand (€430 thousand in 2010), with a contra-entry to reserves.

Primary assumptions used by the Abertis group for the valuation of the stock option plans:

	2008 plan	2009 plan	2010 plan
Valuation model	Hull & White	Hull & White	Hull & White
Initial exercise price (€/share)	20.51	12.06	14.57
Adjusted exercise price as of 12/31/2010 (€/share)	15.86	9.40	12.20
Grant date	04/02/2008	04/02/2009	04/28/2010
Expiration	04/02/2013	04/02/2014	04/28/2015
Term of option at expiration	5 years	5 years	5 years
<i>o.w. vesting period</i>	3 years	3 years	3 years
Type of option	Call/Bermuda	Call/Bermuda	Call/Bermuda
Price of underlying stock at grant date	21.00	11.99	13.03
Expected volatility	21.29%	24.75%	27.52%
Risk free rate	4.13%	2.63%	2.31%
Early cancellation rate	0.00%	0.00%	0.00%

Movements in the 2008, 2009 and 2010 plans during 2011:

	2008 plan	2009 plan	2010 plan
Number of options as of January 1, 2011	146,554	174,870	221,550
Options granted – new plan			
New options granted during the year	6,652	8,726	11,057
Options cancelled	(13,439)		
Number of options as of December 31, 2011	139,767	183,596	232,607

3.5 Other income and expenses

<i>(in € thousands)</i>	2011	2010
Gains on disposal of PP&E and intangible assets	143	373
Capitalized production costs	5,710	6,952
Operating grants	823	1,772
Miscellaneous income	11,570	6,573
Other income	18,245	15,670
Miscellaneous expenses	(3,972)	(7,812)
Other net additions to provisions	(626)	2,955
Other expenses	(4,597)	(4,857)

3.6 *Taxes other than on income*

<i>(in € thousands)</i>	2011	2010
Regional development tax	(102,385)	(96,741)
Local business tax	(38,805)	(36,212)
Local government royalties	(36,732)	(35,943)
Other taxes	(10,201)	(9,241)
Taxes other than on income	(188,123)	(178,137)

The regional development tax is calculated on the basis of the number of kilometers of toll-paying toll roads in the network that were traveled during the year. This tax is paid on a monthly basis and a final adjustment payment is made at the end of the year. Since January 1, 2011, the regional development tax has been levied at the basic rate of €7.32 per thousand kilometers traveled.

The royalty paid to local governments (also known as the annual royalty for occupation of a public domain) is an obligation created by Article 1 of Decree No. 97-606, dated May 31, 1997 and voted as Article R.122-27 of the French Toll Road Code. It is a tax calculated on the basis of the revenues earned by the concessionaire from its toll road concession activity, operated in the public domain, and the number of kilometers of toll roads operated as of December 31 of the preceding year. This tax is paid in July of each year, to cover the period from July 1 to June 30 of the following year.

The change in the line "Taxes other than on income" is therefore very directly related to the change in revenues, essentially from the concession operator companies.

3.7 *Depreciation, amortization and provisions*

<i>(in € thousands)</i>	2011	2010
Amortization of intangible assets	(241,993)	(228,180)
Depreciation of PP&E: concessions	(39,471)	(35,532)
Depreciation of PP&E: other companies	(960)	(1,320)
Total depreciation and amortization	(282,424)	(265,032)
Additional provisions on infrastructures under concession	(36,816)	(39,311)
Depreciation, amortization and provisions	(319,240)	(304,343)

Depreciation of property, plant and equipment is now broken down by the type of company (concessions or other). Figures for 2010 are presented in the same way.

3.8 Financial income and expenses

Analysis of financial income and expenses:

<i>(in € thousands)</i>	2011	2010
Interest expenses on debt stated at amortized cost	(213,325)	(216,373)
Total interest expenses	(213,325)	(216,373)

<i>(in € thousands)</i>	2011	2010
Other financial expenses		
Interest expenses on interest rate derivatives	(5,485)	(3,151)
Discounting expense	(16,498)	(16,084)
Changes in fair value of financial instruments	(11,692)	(8,133)
Miscellaneous financial expenses	(7,313)	(3,678)
Total other financial expenses	(40,989)	(31,046)

<i>(in € thousands)</i>	2011	2010
Financial income		
Interest income on interest rate derivatives	12,077	14,649
Income from equity investments	160	126
Changes in fair value of financial instruments	7,912	7,203
Income from other receivables and marketable securities	1,524	1,052
Miscellaneous financial income	8,073	473
Total financial income	29,746	23,503

3.9 *Income taxes*

Tax proof for fiscal years 2010 and 2011:

<i>(in € thousands)</i>	2011	2010
Net income	281,912	283,102
Income tax	163,407	147,269
To be excluded: Share in net income of associates	11,588	49
Profit before tax	456,907	430,420
Theoretical tax expense (36.10% in 2011, 34.43% in 2010)	(164,943)	(148,194)
Non deductible expenses - permanent differences	(864)	(430)
Differences in tax rates of foreign companies	590	688
Impact of tax losses without recognition of tax asset		206
Difference observed in rates on deferred taxes recognized at 34.43% (1.67%)	2,262	
Tax credits, temporary differences and other	(452)	461
Effective tax expense	(163,407)	(147,269)

Analysis of deferred taxes by key statement of financial position lines:

<i>(in € thousands)</i>	December 31, 2011		December 31, 2010	
	Base	Taxes	Base	Taxes
Property, plant and equipment and intangible assets	(192,943)	66,430	(225,200)	77,536
Provisions for risks and charges	191,281	(65,858)	330,771	(113,884)
Debt and other	(11,969)	4,121	(12,606)	4,340
TOTAL	(13,631)	4,693	92,965	(32,008)

There was approximately €0.3 million in unrecognized tax assets as of December 31, 2011 (around €0.7 million as of December 31, 2010).

3.10 *Earnings per share and dividends*

Basic earnings per share are calculated by dividing distributable net income attributable to owners of the parent for the period by the weighted average number of shares outstanding during the period.

The Group has no dilutive instruments. Diluted earnings per share are therefore identical to basic earnings per share.

3.11 *Goodwill*

Goodwill amounted to €5 thousand, the same as of December 31, 2010.

3.12 Assets and related liabilities held for sale

Assets and related liabilities held for sale concern the car park business, which is proportionately consolidated. As this entity doesn't meet the criteria for separate presentation in the statement of comprehensive income set out in IFRS 5, the related income and expenses are included line-by-line in income for the period.

This classification in assets and liabilities held for sale resulted from the spin-off by Abertis (parent company of the Sanef Group) of its car park and logistics operations to Saba Infraestructuras in October 2011. Accordingly, the car park business is no longer considered strategic to the Abertis group and its subsidiaries, including the Sanef subgroup. The assets and related liabilities of the car park business were reclassified into held for sale on June 30, 2011.

Analysis of assets and related liabilities held for sale:

As of December 31, 2011 (in € thousands)	50% (1)	100%
Group of assets held for sale		
Property, plant and equipment and intangible assets	16,685	33,370
Other non-current assets	784	1,568
Cash and cash equivalents	1,372	2,744
Trade receivables and other current assets	1,046	2,092
Total group of assets	19,887	39,774
Liabilities related to the group of assets held for sale		
Non-current provisions	14,550	29,100
Other non-current liabilities	7	14
Current provisions	3,917	7,834
Other non-current liabilities	2,672	5,344
Total liabilities related to the group of assets	21,146	42,292

(1) The group of assets and related liabilities consists of a 50%-owned company that is proportionally consolidated in the financial statements of the Sanef Group.

In 2011, the business generated a total net loss of €504 thousand, of which €252 thousand (50%) was recognized in the financial statements of the Sanef Group.

3.13 Intangible assets

Gross amount (in € thousands)	January 1, 2011	Additions	Disposals	Changes in consolidation scope and other (*)	December 31, 2011
Purchased software	52,290	5,660	(3,261)	(54)	54,635
Other intangible assets	3,821	34		(46)	3,809
Concession intangible assets	8,208,131	90,918	(5)	(19,323)	8,279,722
TOTAL	8,264,242	96,613	(3,266)	(19,423)	8,338,166

Gross amount (in € thousands)	January 1, 2010	Additions	Disposals	Changes in consolidation scope and other	December 31, 2010
Purchased software	43,849	10,542	(2,101)		52,290
Other intangible assets	9,223	190		(5,592)	3,821
Concession intangible assets	8,032,502	170,037		5,592	8,208,131
TOTAL	8,085,574	180,769	(2,101)		8,264,242

Amortization (in € thousands)	January 1, 2011	Charges	Reversals on disposals	Changes in consolidation scope and other	December 31, 2011
Purchased software	(26,668)	(8,040)	3,137		(31,571)
Other intangible assets	(2,082)	(618)			(2,700)
Concession intangible assets	(3,737,113)	(233,335)	3	2,737	(3,967,708)
TOTAL	(3,765,863)	(241,993)	3,140	2,737	(4,001,979)

Amortization (in € thousands)	January 1, 2010	Charges	Reversals on disposals	Changes in consolidation scope and other	December 31, 2010
Purchased software	(21,976)	(6,724)	2,101	(69)	(26,668)
Other intangible assets	(1,447)	(635)			(2,082)
Concession intangible assets	(3,516,085)	(220,822)		(206)	(3,737,113)
TOTAL	(3,539,508)	(228,181)	2,101	(275)	(3,765,863)

Net amount (in € thousands)	January 1, 2011	December 31, 2011
Purchased software	25,622	23,064
Other intangible assets	1,739	1,109
Concession intangible assets	4,471,017	4,312,014
TOTAL	4,498,378	4,336,187

Net amount (in € thousands)	January 1, 2010	December 31, 2010
Purchased software	21,873	25,622
Other intangible assets	7,570	1,739
Concession intangible assets	4,516,417	4,471,017
TOTAL	4,545,860	4,498,378

(*) The column "Changes in consolidation scope and other" includes the classification of the car park business as a "group of assets held for sale" from June 30, 2011 (see note 3.12).

Works signed for but not yet executed amounted to €143,003 thousand as of December 31, 2011 and €69,751 thousand as of December 31, 2010. These works concern primarily intangible assets.

3.14 Property, plant and equipment

Gross amount (in € thousands)	January 1, 2011	Additions	Disposals	Changes in consolidation scope and other	December 31, 2011
Concession operating assets	502,655	58,748	(2,740)	9,964	568,627
Other companies' assets	15,344	1,838	(125)	(9,956)	7,100
TOTAL	517,999	60,586	(2,865)	8	575,727

Gross amount (in € thousands)	January 1, 2010	Additions	Disposals	Changes in consolidation scope and other	December 31, 2010
Concession operating assets	464,895	44,852	(6,416)	(676)	502,655
Other companies' assets	12,343	2,744	(419)	676	15,344
TOTAL	477,238	47,596	(6,835)		517,999

Depreciation (in € thousands)	January 1, 2011	Charges	Reversals	Changes in consolidation scope and other	December 31, 2011
Concession operating assets	(352,803)	(38,188)	2,689	(3,387)	(391,688)
Other companies' assets	(5,567)	(2,243)	81	3,385	(4,344)
TOTAL	(358,370)	(40,431)	2,770	(2)	(396,033)

Depreciation (in € thousands)	January 1, 2010	Charges	Reversals	Changes in consolidation scope and other	December 31, 2010
Concession operating assets	(324,752)	(34,421)	6,305	65	(352,803)
Other companies' assets	(3,430)	(2,431)	(290)	4	(5,567)
TOTAL	(328,182)	(36,851)	6,595	69	(358,370)

Net amount (in € thousands)	January 1, 2011	December 31, 2011
Concession operating assets	149,852	176,939
Other companies' assets	9,777	2,756
TOTAL	159,629	179,695

Net amount (in € thousands)	January 1, 2010	December 31, 2010
Concession operating assets	140,143	149,852
Other companies' assets	8,912	9,777
TOTAL	149,056	159,629

3.15 *Current and non-current financial assets*3.15.1 *Carrying amount of financial assets by accounting category*

The financial assets reported in the tables below exclude “Trade and other accounts receivable” (note 3.16) and “Cash and cash equivalents” (note 3.17).

Non-current financial assets (in € thousands)	December 31, 2011 – Carrying amount					Fair value
	Available-for-sale financial assets	Loans and receivables	Derivatives not qualified for hedge accounting	Derivatives qualified for hedge accounting	Carrying amount	
Non-consolidated affiliates	3,022				3,022	3,022
Loans to equity investments		69,503			69,503	69,503
Loans		1,631			1,631	1,631
Deposits and collateral		663			663	663
Derivative instruments				28,501	28,501	28,501
Other financial assets		203			203	203
Total current financial assets	3,022	72,000		28,501	103,524	103,524

Non-current financial assets (in € thousands)	December 31, 2010 – Carrying amount					Fair value
	Available-for-sale financial assets	Loans and receivables	Derivatives not qualified for hedge accounting	Derivatives qualified for hedge accounting	Carrying amount	
Non-consolidated affiliates	3,021				3,021	3,021
Loans to equity investments		63,928			63,928	63,928
Loans		1,483			1,483	1,483
Deposits and collateral		661			661	661
Derivative instruments			752	20,590	21,342	21,342
Other financial assets		203			203	203
Other financial receivables		4,126			4,126	4,126
Total current financial assets	3,021	70,400	752	20,590	94,763	94,763

Loans to equity investments as of December 31, 2011 included primarily €42,969 thousand for Alis (€41,387 thousand as of December 31, 2010) and €17,100 thousand for A'Liénor (€13,124 thousand as of December 31, 2010).

Current financial assets (in € thousands)	December 31, 2011 – Carrying amount					Fair value
	Available-for-sale financial assets	Loans and receivables	Derivatives not qualified for hedge accounting	Derivatives qualified for hedge accounting	Carrying amount	
Interest on loans to equity investments		2,134			2,134	2,134
Derivative instruments			38		38	38
Other financial assets		2			2	4
Other financial receivables		17,325			17,325	17,325
Total current financial assets		19,462	38		19,500	19,500

Current financial assets (in € thousands)	December 31, 2010 – Carrying amount					Fair value
	Available-for-sale financial assets	Loans and receivables	Derivatives not qualified for hedge accounting	Derivatives qualified for hedge accounting	Carrying amount	
Interest on loans to equity investments		1,506			1,506	1,506
Derivative instruments						
Other financial assets		1			1	1
Other financial receivables		15,712			15,712	15,712
Total current financial assets		17,219			17,219	17,219

Other financial receivables amounting to €17,325 thousand as of December 31, 2011 included:

- the net value of all other claims (€16,053 thousand as of December 31, 2011 versus €14,334 thousand as of December 31, 2010, including Sanef and SAPN's TIS mandates);
- current account advances to non-consolidated affiliates (€1,272 thousand as of December 31, 2011 versus €1,378 thousand as of December 31, 2010).

3.15.2 *Non-consolidated affiliates*

List of non-consolidated affiliates:

(in € thousands)	% interest held as of December 31, 2011	Carrying amount	
		December 31, 2011	December 31, 2010
- Soderane	99.99	15	15
- Sonora	99.8	8	8
- Centaure Pas de Calais	34	259	259
- Centaure Normandie	49.9	343	343
- Centaure Grand-est	14.45	131	131
- Autoroutes Traffic SNC	20.63	72	72
- GSA Location	100	500	500
- Sanef Concession	99.86	37	37
- V Flow Tolling Inc	30	2	2
- Gallieni Investissement 1	100	10	10
- Gallieni Investissement 2	100	10	10
- Eurotoll z.r.t.	100	18	18
- Skytoll a.s.	10	1,500	1,500
- Sogarel	5	100	100
- Cardus	100	16	16
- Emetteur Groupe Sanef (EGS)	100	1	
Total non-consolidated affiliates		3,022	3,021

Non-consolidated affiliates classified as financial assets held for sale include entities controlled by HIT, but not consolidated. If these entities were consolidated, the impact on the consolidated financial statements would not be material.

There were no changes in non-consolidated affiliates between December 31, 2010 and December 31, 2011 other than the creation of EGS, with seed capital of €1 thousand, in December 2011.

3.15.3 *Derivatives*

1. €28,501 thousand in caps that qualify as fair value hedges recognized in assets (€20,589 thousand recognized as of December 31, 2010),
2. €38 thousand in caps that do not qualify for hedge accounting recognized in assets (€752 thousand recognized as of December 31, 2010).
3. €2,975 thousand in collars purchased in 2011 and recognized in liabilities, some of which qualify as cash flow hedges.

3.15.4 Information on loans and receivables in non-current financial assets

Building-related loans for a discounted amount of €1,237 thousand are included in the “Loans” category as of December 31, 2011 (€1,188 thousand as of December 31, 2010). These interest-free loans, which were granted to employees as part of the employer’s legal obligation to contribute to the construction effort, are to be repaid over a period of 20 years. The interest rate used to discount these loans (4%) is also used to calculate the corresponding financial income recognized in the statement of comprehensive income.

As of December 31, 2010, the €4,126 thousand in other financial receivables mainly represented the value of the €9 million receivable on the sale of the Masternaut Group, discounted at a rate of 6.5%. This receivable was written down by €3,406 thousand in fiscal 2010 to reflect the updated (in 2010) estimates of Masternaut’s future earnings, which were not enough to cover the debt in full. Following the sale of the Masternaut group to new investors, a settlement agreement was entered into in first-half 2011. Pursuant to the agreement, Sanef received a final settlement payment of €2.7 million, generating a consolidated net loss of €1.4 million in first-half 2011.

3.16 Trade and other accounts receivable

<i>(in € thousands)</i>	December 31, 2011	December 31, 2010
Prepayments and down payments on orders	158	62
Receivables from toll activities	75,281	88,649
Receivables from other activities	11,881	13,634
Doubtful accounts	9,620	9,079
Unbilled receivables	72,572	78,745
Provisions for impairment of trade receivables	(2,852)	(3,851)
Trade and other financial receivables (1)	166,661	186,319
Miscellaneous non-financial receivables	79,790	66,182
Total trade and other accounts receivable	246,451	252,500

(1) Financial assets classified as loans and receivables.

Trade and other accounts receivable are classified as “loans and receivables” under IAS 39 and are stated on the statement of financial position at face value, less any impairment.

Given their very short maturities, this valuation method is very close to both the amortized cost using the effective interest rate method and to the fair value.

Non-financial receivables include payroll and tax receivables, excluding any current income tax receivables.

3.17 Cash and cash equivalents

The accounting treatment applied by the Group for cash equivalents is the same as that applied to financial assets at fair value through profit or loss. Cash and cash equivalents are carried at fair value.

Analysis of cash and cash equivalents:

(in € thousands)	December 31, 2011	December 31, 2010
Cash equivalents: money-market mutual funds	31,268	37,477
Cash in bank	44,987	37,727
Total cash and cash equivalents	76,255	75,204

Sanef's policy is to invest excess cash in money-market mutual funds with financial institutions rated A+ or higher by S&P.

3.18 Capital stock and additional paid-in capital

As of December 31, 2011 and December 31, 2010, Sanef had capital stock of €53,090,456, divided into 76,615,132 shares with a par value of €0.69295 per share. All shares are entitled to receive dividend payments. The €715,288 thousand in additional paid-in capital corresponds to the contributions of the shareholders in addition to the par value of the shares.

3.19 Provisions

As of December 31, 2011:

Non-current	January 1, 2011	Additions	Recoveries		Discounting effect	Change in scope and other (*)	December 31, 2011
			Uses	Surplus provisions			
Provisions on car parks under concession	16,650		(1,248)		712	(16,114)	
Provisions on toll roads under concession	278,870	40,002	(53,344)	(3,186)	15,477		277,819
Other		3,478					3,478
Total	295,520	43,480	(54,592)	(3,186)	16,189	(16,114)	281,297

Current	January 1, 2011	Additions	Recoveries		Discounting effect	Change in scope and other (*)	December 31, 2011
			Uses	Surplus provisions			
Provisions on car parks under concession	2,312	967	(1,234)		310	(2,355)	
Provisions on toll roads under concession							
Claims and litigation	3,765	869	(391)				4,243
Taxes							
Other	1,677	936					2,613
Total	7,754	2,772	(1,625)		310	(2,355)	6,856

Total	January 1, 2011	Additions	Recoveries		Discounting effect	Change in scope and other (*)	December 31, 2011
			Uses	Surplus provisions			
Provisions on car parks under concession	18,962	967	(2,482)		1,022	(18,469)	
Provisions on toll roads under concession	278,870	40,002	(53,344)	(3,186)	15,477		277,819
Claims and litigation	3,765	869	(391)				4,243
Taxes							
Other	1,677	4,414					6,091
Total	303,274	46,252	(56,217)	(3,186)	16,499	(18,469)	288,153

(*) The column "Changes in consolidation scope and other" includes the classification of the car park business as "liabilities related to assets held for sale" from June 30, 2011 (see note 3.12).

All provisions pertaining to the toll road concessions (provisions for future renewal of toll road surfaces and maintenance of engineering structures) are classified as non-current provisions.

As of December 31, 2010:

Total	January 1, 2010	Additions	Recoveries		Discounting effect	Change in scope and other	December 31, 2010
			Uses	Surplus provisions			
Provisions on car parks under concession	15,042	(74)	(1,287)		1,054	1,915	16,650
Provisions on toll roads under concession	270,741	39,311	(46,212)		15,030		278,870
Total	285,783	39,237	(47,499)		16,084	1,915	295,520

Total	January 1, 2010	Additions	Recoveries		Discounting effect	Change in scope and other	December 31, 2010
			Uses	Surplus provisions			
Provisions on car parks under concession	4,227					(1 915)	2,312
Provisions on toll roads under concession							
Claims and litigation	6,179	2,893	(3,950)	(1,357)			3,765
Taxes							
Other	1,677						1,677
Total	12,083	2,893	(3,950)	(1,357)		(1 915)	7,754

Total	January 1, 2010	Additions	Recoveries		Discounting effect	Change in scope and other	December 31, 2010
			Uses	Surplus provisions			
Provisions on car parks under concession	19,269	(74)	(1,287)		1,054		18,962
Provisions on toll roads under concession	270,741	39,311	(46,212)		15,030		278,870
Claims and litigation	6,179	2,893	(3,950)	(1,357)			3,765
Taxes							
Other	1,677						1,677
Total	297,866	42,130	(51,449)	(1,357)	16,084		303,274

3.20 Long-term employee benefits

Long-term employee benefits include post-employment defined benefit plans (termination benefits, Company's contribution to retirees' supplemental health insurance program) and other types of benefits (CATS early retirement program, long service awards).

Analysis of total long-term employee benefits on the statement of financial position:

	<u>December 31, 2011</u>	<u>December 31, 2010</u>
Post-employment defined benefit plans	25,445	22,045
Other benefits	<u>4,602</u>	<u>5,701</u>
Total	30,047	27,746

3.20.1 Post-employment defined benefit plans

Analysis of defined benefit plans:

	<u>December 31, 2011</u>	<u>December 31, 2010</u>
Obligations and rights at the end of the period	32,061	24,280
Fair value of plan assets	(2,294)	(2,216)
Total net obligation	29,767	22,064
Unrecognized past service costs	(4,322)	(19)
Net amount on statement of financial position	25,445	22,045

During the first half of 2011 Sanef, SAPN and SEA14 all signed amendments to their respective termination benefit programs. Under these agreements, seniority-based termination benefits are now capped at eight months. These changes triggered a €4,479 thousand increase in termination benefit obligations during the first half of the year. The obligation in Sanef's statement of financial position is recognized against these past service costs recognized on a straight-line basis in the statement of comprehensive income over the average period until the employees' rights have vested. In 2011, this amortization amounted to €176 thousand.

Analysis of main assumptions used to calculate the above amounts:

	December 31, 2011	December 31, 2010
Discount rate	4.50%	4.75 %
Salary increase rate	2.75%	3.00 %
Life expectancy tables	INSEE 2010	INSEE 2003
Age of entry into professional life	20/24	20/24
Retirement age	60/64	60/64
Payroll tax rate	45 %	45 %

Defined benefit obligations are funded entirely by the Group with the exception of the retirement plan for key executives, which is partially funded.

Analysis of plans by funding	<u>December 31, 2011</u>	<u>December 31, 2010</u>
Totally or partially-funded liabilities	304	
Non-funded liabilities	29,463	22,064
TOTAL	29,767	22,064

The following tables summarize the Group's obligations as of December 31, 2011 and December 31, 2010, and the fair value of the funded plan assets, for each type of obligation (pensions, termination benefits, retirement plans of the key executives) and supplemental health benefits for the retirees of SAPN.

Employee benefits	Termination benefits		Supplemental retirement plan		Supplemental health benefits		Total	
(in € thousands)	Dec 31, 2011	Dec 31, 2010	Dec 31, 2011	Dec 31, 2010	Dec 31, 2011	Dec 31, 2010	Dec 31, 2011	Dec 31, 2010
Obligations and rights at beginning of year	14,736	13,843	2,216	3,081	7,329	6,799	24,281	23,723
New commitments and modifications	4,479	21	304				4,783	21
Current service costs	959	926	138	215	542	512	1,639	1,653
Interest expense	853	687	100	154	348	340	1,301	1,181
Actuarial gains (losses)	382	293	(160)		897	(191)	1,119	102
Benefits paid by the plan/company	(1,062)	(1,034)		(1,234)		(131)	(1,062)	(2,399)
Expenses paid								
Taxes paid								
Premium paid								
Curtailments (early retirements)								
Indemnities								
Exchange differences								
Obligations and rights at end of year	20,347	14,736	2,598	2,216	9,116	7,329	32,061	24,281

Fair value of plan assets	Termination benefits		Supplemental retirement plan		Supplemental health benefits		Total	
(in € thousands)	Dec 31, 2011	Dec 31, 2010	Dec 31, 2011	Dec 31, 2010	Dec 31, 2011	Dec 31, 2010	Dec 31, 2011	Dec 31, 2010
Fair value of plan assets at beginning of year			2,216	2,600			2,216	2,600
New commitments and modifications								
Early return on investments (plan assets and redemption rights)			47	48			47	48
Actuarial gains (losses) (plan assets and redemption rights)			31	2			31	2
Employer contributions				800				800
Beneficiary contributions								
Benefits paid by the plan/company				(1,234)				(1,234)
Expenses paid								
Taxes paid								
Premium paid								
Curtailments and indemnities								
Acquisitions/divestments								
Exchange differences								
Fair value of plan assets at end of year			2,294	2,216			2,294	2,216

Actuarial (gains) losses recognized in reserves	Termination benefits		Supplemental retirement plan		Supplemental health benefits		Total	
	Dec 31, 2011	Dec 31, 2010	Dec 31, 2011	Dec 31, 2010	Dec 31, 2011	Dec 31, 2010	Dec 31, 2011	Dec 31, 2010
(in € thousands)								
Actuarial (gains) losses	382	293	(191)	(2)	897	(191)	1,088	100
Impact of limitation of net assets								
Actuarial (gains) losses recognized in reserves	382	293	(191)	(2)	897	(191)	1,088	100

Cumulative actuarial (gains) losses recognized in reserves at end of year	Termination benefits		Supplemental retirement plan		Supplemental health benefits		Total	
	Dec 31, 2011	Dec 31, 2010	Dec 31, 2011	Dec 31, 2010	Dec 31, 2011	Dec 31, 2010	Dec 31, 2011	Dec 31, 2010
(in € thousands)								
Cumulative actuarial (gains) losses recognized in reserves at end of year	2,089	1,707	(2,738)	(2,547)	706	(191)	57	(1,031)

The total actuarial losses attributable to defined benefit post-employment obligations amounted to €1,088 thousand in 2011 (€100 thousand in 2010). These actuarial losses included €430 thousand on changes in actuarial assumptions (discount and salary increase rates) and €658 thousand in experience-related actuarial losses (respectively €22 thousand in gains and €122 thousand in losses in 2010).

Post-employment defined benefit obligations over the last five years:

(in € thousands)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009	Dec. 31, 2008	Dec. 31, 2007
Obligations	32,061	24,280	23,723	19,848	22,832
Fair value of plan assets	2,294	2,216	2,600	1,080	1,295
Net unfunded obligations	29,767	22,064	21,123	18,768	21,537

Analysis of actuarial gains and losses:

(in € thousands)	2011	2010	2009	2008	2007
Actuarial (gains) losses generated during the period	1,088	100	2,677	(868)	(800)
- from changes in actuarial assumptions	430	(22)	2,412		
- from experience-related actuarial changes	658	122	265		

3.20.2 Other benefits

Other benefits include the CATS early retirement program described below and long service awards.

CATS (*Cessation anticipée de certains travailleurs salariés*), an early retirement program, allows salaried employees who reach 57 years of age between the years 2008 and 2016 and who have worked a certain number of years for the company as laborers to qualify for early-retirement benefits that are partially funded by the French government.

Provisions for the contributions of Sanef and SAPN have been set aside as termination benefits and have been recognized since the program was implemented in December 31, 2007 using a 4.50% discount rate. As participation in this program is voluntary, the initial assumption was that all eligible employees will take advantage of these benefits.

As of December 31, 2011, the provision was recalculated on the basis of enrollments through 2011 and forecasts of enrollments of eligible employees. The portion of the provision pertaining to eligible employees who have expressed their wish not to participate in the plan, or who have left the company without taking advantage of the plan was reversed (recoveries of surplus provisions). The provision was discounted at a rate of 4.50%.

(in € thousands)	2011			2010		
	CATS	Long service awards	TOTAL	CATS	Long service awards	TOTAL
At January 1	4,706	995	5,701	6,171	964	7,135
Changes in consolidation scope						
Additions		47	47		47	47
Recoveries (uses)	(1,087)	(157)	(1,244)	(529)	(109)	(638)
Recoveries (surplus provisions)				(320)		(320)
Discounting	64		64	(616)		(616)
Actuarial (gains) losses	(58)	92	34		93	93
As of December 31	3,625	977	4,602	4,706	995	5,701

3.21 Financial liabilities by accounting category

Current and non-current financial liabilities:

(in € thousands)	As of December 31, 2011				
	Liabilities at amortized cost	Liabilities held for trading	Derivatives qualified as hedging derivatives	Carrying amount	Fair value
Borrowings: current and non-current portions	3,701,228			3,701,228	4,199,754
Hedging derivatives		1,984	991	2,975	2,975
Central government advances	17,318			17,318	17,318
Deposits and guarantees received	24,670			24,670	24,670
Bank overdrafts	1,298			1,298	1,298
Accrued interest not due	93,005			93,005	93,005
Total financial liabilities excluding trade accounts payable	3,837,519	1,984	991	3,840,494	4,339,020
Total trade and other financial payables (See note 3.22)	199,374			199,374	199,374
Total financial liabilities as per IAS 39	4,036,893	1,984	991	4,039,868	4,538,394

(in € thousands)	As of December 31, 2010				
	Liabilities at amortized cost	Liabilities held for trading	Derivatives qualified as hedging derivatives	Carrying amount	Fair value
Borrowings: current and non-current portions	3,815,968			3,815,968	4,216,849
Hedging derivatives					
Central government advances	17,318			17,318	17,318
Deposits and guarantees received	23,278			23,278	23,278
Bank overdrafts	4			4	4
Accrued interest not due	103,862			103,862	103,862
Total financial liabilities excluding trade accounts payable	3,960,431			3,960,431	4,361,311
Total trade and other financial payables (See note 3.22)	241,047			241,047	241,047
Total financial liabilities as per IAS 39	4,201,478			4,201,478	4,602,358

Deposits and guarantees received correspond mainly to payments received from toll road toll subscribers. These payments are reimbursed in the event of the cancellation of the subscription, after the card or badge is returned. They are considered to be demand deposits and therefore are not discounted.

The fair value of all financial liabilities other than borrowings is equal to their carrying amount.

3.22 Trade and other accounts payable

<i>(in € thousands)</i>	As of December 31, 2011	As of December 31, 2010
Advances and down payments received on orders	20,396	20,749
Trade accounts payable	104,375	113,440
Due to suppliers of non-current assets	64,877	78,412
Other financial payables	9,725	28,446
Total trade and other financial payables (1)	199,374	241,047
Taxes and payroll costs	126,585	123,546
Prepaid income	23,371	24,741
Total non-financial payables	149,956	148,286
Total trade and other accounts payable	349,330	389,333

(1) Financial liabilities stated at amortized cost.

As trade and other accounts payable are very short-term, their carrying amount approximates fair value.

3.23 Contingent liabilities

Claims and litigation

In the normal course of their business, Group companies are involved in a certain number of claims and legal proceedings. As of December 31, 2011, Sanef considers that no claims or litigation relating to its business are in progress that would be likely to have a material adverse effect on its results of operations or financial position (other than those risks for which provisions have been recognized in the financial statements). We would, however, like to specify that through its subsidiary SAPN, the Group is involved in a dispute with one of its concession operators, Sonotel. The administrative court ruled in the Group's favor at first instance and Sonotel filed an appeal in January 2012. The ruling of the court of appeals is expected to be handed down during the first quarter of 2012.

Individual right to training (DIF)

Pursuant to Act No. 2004-391 voted on May 4, 2004 concerning professional training, the Group's French companies grant their employees the right to benefit from a minimum of 20 hours of training per calendar year. This benefit may be cumulated and accrued over a six-year period, at the end of which it is limited to 120 hours in case of non-utilization. Expenses related to utilization of these benefits are recognized as such when the employer and employee decide upon the type of training to be received.

As of December 31, 2011, the total number of hours of training accumulated on vested rights in respect of the DIF represented 296,964 hours (296,132 hours as of December 31, 2010).

"1% countryside development" contribution (Engagement 1% paysage)

Under the French government's countryside development policy, for toll road sections to be built or under construction, the Group contributes to the expenditure required to ensure that the toll road blends harmoniously into the local landscape, provided that the local authorities concerned contribute an equivalent amount.

<i>(in € thousands)</i>	December 31, 2011	December 31, 2010
"1% countryside development" contribution	1,832	1,934
Total	1,832	1,934

"1% countryside development" expenditure is made under the government policy described in a note dated December 12, 1995 on the environment and the economic development of regions served by the toll roads and major trunk roads. This expenditure is defined as follows in the concession agreement specifications: "For toll roads that are due to be built or are already under construction, the concession operator shall contribute to the expenditure needed to ensure that the toll road blends harmoniously into the landscape, in the interests of both local inhabitants and toll road users. Such expenditure shall include maintenance costs and the cost of any necessary landscaping work, and may be incurred beyond the toll road's boundaries. The concession operator's contribution shall not exceed 0.5% of the cost of the engineering structures, provided that the local authorities concerned contribute an equivalent amount, on the basis prescribed by the French government" (*Article 12.10*).

However, the local authorities' contribution may be claimed only if a government decree is issued listing the toll road work. When the concession operator applies for investment grants based on this list, the work concerned becomes eligible for the "1% countryside development" scheme and the company becomes committed to paying a contribution.

Guarantees given

Sanef has given guarantees totaling €2,500 thousand to a bank to participate in the electronic toll collection project for the beltway around Dublin. Together with an additional €7,500 thousand demand guarantee, the total exposure on this contract amounted to €10,000 at both December 31, 2011 and December 31, 2010. The opening of the A65 in late 2010 resulted in a termination of all guarantees in favor of the A65 Pau-Langon economic interest group (GIE) in 2011 (€4,546 thousand as of December 31, 2010). Similarly, the guarantees of €13,052 thousand provided for the private subcontracting of the Fixed Operating Equipment contract for the A65 as of December 31, 2010 had fully expired by December 31, 2011. Sanef provided two guarantees totaling €2,300 thousand in favor of Eurotoll in connection with contracts entered into with Ecotrans, the Italian toll road network operator. Sanef also provided a €2,864 thousand guarantee (unchanged from €2,864 thousand as of December 31, 2010) to a bank in connection with the satellite-based electronic toll project in Slovakia.

Sanef also provided €3,356 thousand in guarantees and counter-guarantees on behalf of A'Liénor, the concessionaire for the A65.

This brought the total value of guarantees given to €18,887 thousand as of December 31, 2011 (€32,955 thousand as of December 31, 2010).

Guarantees received

Sanef Group companies had received bonds and guarantees on contracts for a total of €37,345 thousand as of December 31, 2011 (€40,310 thousand as of December 31, 2010). Following the commissioning of the A65, as of December 31, 2011, Group companies no longer had any bonds and guarantees for the private subcontracting of the Fixed Operating equipment contract for the A65 (€5,221 million as of December 31, 2010).

3.24 Management of financial risks and derivative instruments

3.24.1 Market risks

Of the various types of market risk (interest rate risk, currency risk, and market risk on listed equities), Sanef is primarily exposed to interest rate risk.

The Group would be exposed to fair value risk in the event that the portion of Sanef's borrowings at fixed rates was bought on the market, while floating-rate borrowings could impact future financial results.

Borrowing rates prior to hedging are broken down as follows:

(in € thousands)	As of December 31, 2011	As of December 31, 2010
Fixed or adjustable rate	5,791,200	5,276,016
Floating rate	572,788	1,264,401
Total	6,363,988	6,540,417

Analysis of borrowing rates, after hedging by interest rate swaps:

(in € thousands)	As of December 31, 2011	As of December 31, 2010
Fixed or adjustable rate	5,771,784	6,029,192
Floating rate	592,204	511,225
Total	6,363,988	6,540,417

A significant portion of the Sanef Group's financial liabilities are at fixed rates. As shown in the table above, a small portion of these borrowings has been converted to floating rates using interest rate swaps. These swaps function as fair value hedges of the loans they cover.

The Group has contracted caps and collars to allow it to limit the impact of any rise in interest rates. As of December 31, 2011 the total value of the caps was €429 million (€626 million one year earlier). These instruments were not eligible for hedge accounting. Collars directly hedging the risk of any rise in interest rates on the floating rate debt are classified as cash-flow hedges on the hedged borrowings. Collars used to hedge the floating rate debt following the implementation of the swaps cannot, however, be designated as hedging instruments, and changes in their fair value are recognized through profit or loss for the year. All things considered, Sanef has only a limited risk of its financial expenses increasing should interest rates go up.

Analysis of the fair value hedging swaps as of December 31, 2011:

(in € thousands) Expiration	Market value as of December 31, 2011	Sanef receives fixed rate	Sanef pays floating rate	Nominal value
Early 2013	921	2.572%	3-month Euribor	50,000
Mid 2014	2,747	3.805 %	3-month Euribor	43,000
End of 2015	3,277	4.078 %	3-month Euribor	32,000
Early 2017	11,856	4.036 %	3-month Euribor	100,000
	4,835	3.316 %	3-month Euribor	58,000

Consolidated financial statements Sanef - December 31, 2011

	4,865	3.601 %	3-month Euribor	50,000
Total	28,501			333,000

As of December 31, 2010:

<i>(in € thousands)</i> Expiration	Market value as of December 31, 2010	Sanef receives fixed rate	Sanef pays floating rate	Nominal value
Early 2013	1,235	2,572%	3-month Euribor	50 000
Mid 2014	2 799	3,805 %	3-month Euribor	43 000
End of 2015	2 691	4,078 %	3-month Euribor	32 000
Early 2017	8 394	4,036 %	3-month Euribor	100 000
	2 504	3,316 %	3-month Euribor	58 000
	2 966	3,601 %	3-month Euribor	50 000
Total	20 589			333 000

The fair value of Sanef's debt is sensitive to changes in interest rates insofar as a portion of this debt is at a fixed rate. A decrease in interest rates increases fair value, and an increase in interest rates decreases fair value. The variance between the fair value of the portion of the debt that is at a fixed rate and its carrying amount would only be taken to profit or loss if Sanef decided to make advance repayments of this debt, in order to respond to market opportunities.

Analysis of the value of Sanef's caps as of December 31, 2011:

<i>(in € thousands)</i> Expiration	Market value as of December 31, 2011	Interest rate	Nominal value
Early 2012	2	Cap 1.50% E3M at 0.26% flat	32,000
Early 2012	0	Cap 1.50% E3M at 0.215% flat	43,000
Mid 2012	0	Cap 1.50% E3M at 0.28% flat	5,000
Mid 2012	2	Cap 1.50% E3M at 0.265% flat	45,000
Mid 2012	16	Cap 1.50% E3M at 0.235% flat	100,000
Mid 2012	5	Cap 1.50% E3M at 0.393% flat	50,000
End of 2012	5	Cap 1.50% E3M at 0.21% flat	50,000
End of 2012	6	Cap 1.50% E3M at 0.51% flat	50,000
End of 2012	2	Cap 2.00% E3M at 0.342% flat	54,000
TOTAL	38		429,000

As of December 31, 2010:

<i>(in € thousands)</i> Expiration	Market value as of December 31, 2010	Interest rate	Nominal value
Early 2011	0	Cap 1.50% E3M at 0.28% flat	43,000
Mid 2011	4	Cap 1.50% E3M at 0.19% flat	100,000
End of 2011	19	Cap 1.50% E3M at 0.2015% flat	108,000
Early 2012	15	Cap 1.50% E3M at 0.26% flat	32,000
<i>Early 2012 (*)</i>	<i>26</i>	<i>Cap 1.50% E3M at 0.215% flat</i>	<i>43,000</i>
<i>Mid 2012 (*)</i>	<i>8</i>	<i>Cap 1.50% E3M at 0.28% flat</i>	<i>5,000</i>
<i>Mid 2012 (*)</i>	<i>69</i>	<i>Cap 1.50% E3M at 0.265% flat</i>	<i>45,000</i>
<i>Mid 2012 (*)</i>	<i>206</i>	<i>Cap 1.50% E3M at 0.235% flat</i>	<i>100,000</i>
<i>Mid 2012 (*)</i>	<i>123</i>	<i>Cap 1.50% E3M at 0.393% flat</i>	<i>50,000</i>
<i>End of 2012 (*)</i>	<i>136</i>	<i>Cap 1.50% E3M at 0.21% flat</i>	<i>50,000</i>
End of 2012	146	Cap 1.50% E3M at 0.51% flat	50,000
TOTAL	752		626,000

(*) These caps were contracted prior to December 31, 2010, but only came into effect during 2011.

Analysis of collars contracted by Sanef in 2011 as of December 31, 2011:

- Collars qualifying for hedge accounting:

<i>(in € thousands)</i> Expiration	Market value as of December 31, 2011	Interest rate	Nominal value
<i>End of 2012 (*)</i>	<i>(174)</i>	<i>Collar 2.75% / 1.60% E3M at 0.15% flat</i>	<i>50,000</i>
<i>Early 2013 (*)</i>	<i>(183)</i>	<i>Collar 2.75% / 1.60% E3M at 0.20% flat</i>	<i>50,000</i>
<i>End of 2013 (*)</i>	<i>(158)</i>	<i>Collar 2.75% / 1.50% E3M at 0.23% flat</i>	<i>25,000</i>
<i>End of 2013 (*)</i>	<i>(155)</i>	<i>Collar 2.20% / 1.50% E3M at 0.176% flat</i>	<i>25,000</i>
<i>End of 2013 (*)</i>	<i>(150)</i>	<i>Collar 2.25% / 1.50% E3M at 0.13% flat</i>	<i>25,000</i>

End of 2013 (*)	(150)	Collar 2.225% / 1.50% E3M at prime flat	25,000
Early 2014 (*)	(21)	Collar 2.25% / 0.80% E3M at 0.03% flat	25,000
TOTAL	(991)		225,000

(*) These collars were contracted prior to December 31, 2011, but only come into effect during 2012.

- Collars not qualifying for hedge accounting:

(in € thousands) Expiration	Market value as of December 31, 2011	Interest rate	Nominal Value
Early 2013 (*)	(277)	Collar 2.50% / 1.50% E3M at 0.285% flat	54,000
Early 2013 (*)	(232)	Collar 2.50% / 1.50% E3M at 0.216% flat	43,000
Early 2013 (*)	(163)	Collar 2.60% / 1.50% E3M at 0.20% flat	32,000
Mid 2013 (*)	(311)	Collar 2.60% / 1.50% E3M at 0.2475% flat	50,000
Mid 2013 (*)	(308)	Collar 2.26% / 1.50% E3M at 0.12% flat	50,000
End of 2013 (*)	(323)	Collar 2.25% / 1.50% E3M at 0.09% flat	54,000
End of 2013 (*)	(321)	Collar 2.13% / 1.50% E3M at prime flat	54,000
Early 2014 (*)	(49)	Collar 2.25% / 0.90% E3M at 0.05% flat	32,000
TOTAL	(1,984)		369,000

(*) These collars were contracted prior to December 31, 2011, but only come into effect during 2012.

Sensitivity of income and equity to changes in interest rates:

The sensitivity of interest flows for the floating rate instruments was calculated by taking into account all variable flows on non-derivative and derivative instruments. The analysis was prepared assuming that the amount of debt and financial instruments on the statement of financial position as of December 31 of both 2011 and 2010 remain constant over one year.

(in € thousands)	2011				2010			
	Earnings		Equity		Earnings		Equity	
	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease
Floating rate debt	(1,210)	1,210	-	-	(835)	835	-	-
Interest rate hedges (swaps and some collars)	(1,776)	1,741	728	(813)	(1,665)	1,665	-	-
Interest rate derivatives (caps and some collars) not eligible for hedge accounting	1,551	(1,678)	-	-	1,401	(583)	-	-

A 50 basis point change in interest rates at the end of the reporting period would have resulted in an increase (decrease) in equity and earnings in the amounts indicated above. For the purposes of this analysis, all other variables are presumed to remain constant.

In addition, the Sanef Group has very little exposure to currency risk on transactions stemming from its normal course of business. Its financial debt as of December 31 of both 2011 and 2010 is denominated solely in euros. Sanef's income and expenses are likewise all denominated and paid in euros.

3.24.2 Credit risk

Credit risk represents the risk of financial loss to Sanef should a customer or counterparty to a financial instrument default on its contractual obligations.

The carrying amount of its financial assets, shown below, indicates maximum exposure to credit risk:

<i>(in € thousands)</i>	Note	December 31, 2011	December 31, 2010
Loans to affiliates	3.15	69,503	63,928
Loans	3.15	1,631	1,483
Derivatives	3.15	28,501	21,342
Deposits and guarantees	3.15	663	661
Trade and other financial receivables	3.16	166,661	186,319
Current financial assets	3.15	19,500	17,219
Cash and cash equivalents	3.17	76,255	75,204
	Total	362,714	366,156

As of December 31, 2011, Sanef had trade and other accounts receivable totaling €166 million (€186 million as of December 31, 2010) and cash of around €76 million (€75 million as of December 31, 2010). These amounts indicate a very low exposure to credit risk, especially in view of the quality of the Group's customers and counterparties and the fact that all operating receivables are paid in cash or settled very quickly.

Sanef invests its surplus cash and enters into interest rate swaps and other derivatives only with leading financial institutions.

3.24.3 Liquidity risk

Liquidity risk is defined as the risk of a company not being able to honor payments on its borrowings or other commitments.

With the exception of capital expenditures, financing needs are not sufficiently material to make any borrowing difficulties likely.

Sanef's primary financial debt (syndicated loan, loans from CNA and BNP/Dexia) is subject to covenants on the following two ratios:

- net debt/EBITDA
- EBITDA/net financial expenses.

As of December 31, 2011 and December 31, 2010 Sanef was in compliance with both covenants.

Analysis of borrowings by maturity:

Year	< 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	> 5 years	Total
2012	274,228						274,228
2013		435,102					435,102
2014			391,298				391,298
2015				383,896			383,896
2016					333,784		333,784
2017						333,905	333,905
2018						592,756	592,756
2019						7,000	7,000
2020						241,307	241,307
2021						205,373	205,373
2022						247,597	247,597
2023						249,074	249,074
After 2023						5,907	5,907
December 31, 2011	274,228	435,102	391,298	383,896	333,784	1,882,919	3,701,227
December 31, 2010	445,305	266,106	427,426	384,500	375,079	1,917,552	3,815,968

As Sanef's financial debt all falls due prior to the expiration of its concession contract, and thanks to the predictability of its operating and investment cash flows, the Group will be able to obtain refinancing. At present, the Group cannot foresee any problems with its ability to obtain funding.

(in € millions)

Non-derivative financial liabilities

Financial debt

Advances from French central government and regional agencies

Deposits, guaranties and other financial debts

Trade accounts payable

Other current liabilities

Note	Carrying amount	Contractual cash-flows	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	> 5 years
3.21	3,795.5	4,837.9	281.7	187.7	611.0	1,505.6	2,251.9
3.21	17.3	17.3	17.3				
3.21	24.7	24.7	24.7				
3.22	189.6	189.6	189.6				
3.22	9.7	9.7		9.7			

Derivative financial liabilities

Interest rate derivatives

3.24	2.9	1.6		0.5	1.1		
------	-----	-----	--	-----	-----	--	--

Total flows	5,080.8	513.3	197.9	612.1	1,505.6	2,251.9
Flows from interest rate derivatives recorded under assets	(41.3)	(8.5)	(0.1)	(9.7)	(16.5)	(6.5)
Total flows after hedging	5,039.5	504.8	197.8	602.4	1,489.1	2,245.4

3.25 *Related parties*

Sanef has not engaged in any commercial transactions with its shareholder, HIT, or the shareholders of that company. Equity-method and proportionally consolidated companies are presented in note 3.1.

As of December 31, 2011, the Group's loan to Alis (including €3.1 million in VAT) amounted to €34.2 million (€29 million as of December 31, 2010) and bore interest at a rate of 6%. The Group also has a €6.5 million shareholder advance (€6.1 million as of December 31, 2010) at 7%, and €2.3 million (excluding VAT) (€2.5 million as of December 31, 2010) in operating receivables payable in annual installments of €176.4 thousand through 2028.

As of December 31, 2011, the Sanef Group had a €17.1 million receivable from A'Liénor (€13.1 million as of December 31, 2010).

3.26 Financial aggregates

<i>(in € thousands)</i>	Sanef	SAPN	SEA 14	<i>Intercos</i>	SUB-TOTAL Toll road concessions	<i>Intercos</i>	Other	Sanef Group
Revenue (exc. construction)	1,091,506	354,907	7,808	(9,375)	1,444,846	(588)	44,715	1,488,973
EBITDA	748,132	243,040	475		991,647		9,069	1,000,716
EBITDA margin	68.5%	68.5%	6.1%		68.6%		20.3%	67.2%
Operating income, net	531,239	142,453	475		674,167		7,309	681,476

EBITDA is net operating income before depreciation, amortization and provisions.

3.27 Events after the end of the reporting period

No material event has occurred subsequent to the end of the reporting period.

SANEF

Société Anonyme

30, boulevard Gallieni

92130 Issy-les-Moulineaux

STATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2012

SANEF

Société Anonyme

30, boulevard Gallieni
92130 Issy-les-Moulineaux

STATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2012

This is a free translation into English of the statutory auditor's report on the consolidated financial statements issued in the French language and is provided solely for the convenience of English speaking users.

The statutory auditor's report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes explanatory paragraphs discussing the auditor's assessments of certain significant accounting and auditing matters. These assessments were made for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.

This report also includes information relating to the specific verification of information given in the management report.

This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders of SANEF,

In compliance with the assignment entrusted to us by your General Shareholders' Meeting, we hereby report to you, for the year ended December 31, 2012, on:

- the audit of the accompanying consolidated financial statements of SANEF;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

I - Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2012 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II - Justification of our assessments

In accordance with the requirements of article L.823-9 of the French commercial code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

Notes 2.7.1 and 2.17 to the consolidated financial statements describe the accounting treatment applied by the Group for the recognition and the maintenance of assets held under concession arrangements. As part of our assessment of the accounting rules and principles used by the Group, we verified the appropriateness of the aforementioned accounting methods and disclosures in the notes 3.1 and 3.19 to the consolidated financial statements as well as their proper application.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III - Specific verification

As required by law, we have also verified in accordance with professional standards applicable in France the information related to the Group presented in the management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine, March 29, 2013

The Statutory Auditor

Deloitte & Associés

Francisco SANCHEZ



Sanef Group

CONSOLIDATED FINANCIAL STATEMENTS **For the year ended December 31, 2012**

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SUMMARY FINANCIAL STATEMENTS

1. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in € thousands)	Notes	2012	2011
Operating income		1,619,092	1,595,773
Revenue	3.2	1,603,956	1,577,528
of which revenue excluding construction		1,495,480	1,488,973
of which revenue from construction		108,476	88,555
Other income	3.5	15,136	18,245
Operating expenses		(948,911)	(914,298)
Purchases and external expenses	3.3	(224,348)	(212,510)
of which construction costs		(108,476)	(88,555)
Payroll costs	3.4	(193,841)	(189,827)
Other expense	3.5	(6,746)	(4,597)
Taxes other than on income	3.6	(195,792)	(188,123)
Depreciation, amortization and provision	3.7	(328,184)	(319,240)
Operating income, net		670,181	681,476
Interest expense	3.8	(196,946)	(213,325)
Other financial expenses	3.8	(28,319)	(40,989)
Financial income	3.8	22,694	29,746
Income before tax		467,610	456,908
Income tax	3.9	(168,894)	(163,407)
Share in net income of associates	3.1	(11,828)	(11,588)
Net income before non-controlling interests		286,888	281,912
Non-controlling interests		15	(18)
Net income attributable to the owner of Sanef		286,873	281,930

	3.10	2012	2011
Basic earnings per share (in euros)		3.74	3.68
Weighted average number of shares		76,615,132	76,615,132
Diluted earnings per share (in euros)		3.74	3.68
Weighted average number of shares		76,615,132	76,615,132

Other components of comprehensive income:

<i>(in € thousands)</i>	2012	2011 (*)
Net income	286,888	281,912
Actuarial gains and losses on post-employment programs	(9,970)	(1,088)
Tax effect	3,433	375
<i>Items not potentially reclassifiable to profit and loss</i>	(6,537)	(713)
Fair value adjustment on cash flow hedges	(473)	(887)
Tax effect	163	305
Fair value adjustment on cash flow hedges of associates (net of tax)	1,098	(14,012)
<i>Items potentially reclassifiable to profit and loss</i>	788	(14,594)
Total income and expenses recognized directly in equity	(5,749)	(15,307)
Total income and expenses recognized during the period	281,139	266,605
Attributable to the owner of Sanef	281,124	266,623
Non-controlling interests	15	(18)

* restated based on the presentation of other comprehensive income as of December 31, 2012.

2. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS (in € thousands)	Notes	31 décembre 2012	31 décembre 2011
Goodwill	3.11	6,716	5
Intangible assets	3.13	4,218,418	4,336,187
Property, plant and equipment	3.14	194,089	179,695
Investments in associates	3.1	39,772	50,917
Non-current financial assets	3.15	110,832	103,524
Deferred tax assets		11,670	
Total non-current assets		4,581,497	4,670,327
Inventories		11,709	11,435
Trade and other accounts receivable	3.16	281,031	246,451
Current financial assets	3.15	22,235	19,499
Cash and cash equivalents	3.17	44,278	76,255
Group of assets held for sale	3.12	19,850	19,887
Total current assets		379,102	373,527
TOTAL ASSETS		4,960,599	5,043,854

EQUITY AND LIABILITIES (in € thousands)	Notes	31 décembre 2012	31 décembre 2011
Capital stock	3.18	53,090	53,090
Additional paid-in capital	3.18	654,413	715,288
Reserves and net income		(196,306)	(259,113)
Equity attributable to the owner of Sanef		511,197	509,266
Equity attributable to the non-controlling interests		100	94
Total equity		511,297	509,360
Non-current provisions	3.19	277,883	281,297
Provisions for long-term employment benefits	3.20	42,463	30,047
Non-current financial liabilities	3.21	3,125,231	3,428,000
Deferred tax liabilities			4,693
Total non-current liabilities		3,445,577	3,744,037
Current provisions	3.19	7,033	6,856
Current financial liabilities	3.21	568,882	412,494
Trade and other accounts payable	3.22	404,949	349,330
Current tax liabilities		2,106	631
Liabilities related to the group of assets held for sale	3.12	20,755	21,146
Total current liabilities		1,003,725	790,457
TOTAL EQUITY AND LIABILITIES		4,960,599	5,043,854

3. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>(in € thousands)</i>	Capital stock	Additional paid-in capital	Accumulated translation adjustments	Consolidated reserves and net income	Shareholders' equity	Non-controlling interests	Total equity
As of January 1, 2012	53,090	715,288	52	(259,164)	509,266	94	509,360
Dividends		(60,875)		(218,485)	(279,360)	(9)	(279,369)
Recognized income and expenses				281,124	281,124	15	281,139
Share-based payments				182	182		182
Other			(80)	65	(15)		(15)
As of December 31, 2012	53,090	654,413	(31)	(196,275)	511,197	100	511,297

<i>(in € thousands)</i>	Capital stock	Additional paid-in capital	Accumulated translation adjustments	Consolidated reserves and net income	Shareholders' equity	Non-controlling interests	Total equity
As of January 1, 2011	53,090	715,288	43	(246,331)	522,090	517	522,607
Dividends				(280,035)	(280,035)	(8)	(280,043)
Recognized income and expenses				266,623	266,623	(18)	266,605
Share-based payments				331	331		331
Other (*)			9	248	257	(397)	(140)
As of December 31, 2011	53,090	715,288	52	(259,164)	509,266	94	509,360

(*) of which additional purchases of non-controlling interests (minority interests)

4. CONSOLIDATED STATEMENT OF CASH FLOWS

<i>(in € thousands)</i>	2012	2011
OPERATING ACTIVITIES		
Operating income, net	670,181	681,476
Depreciation, amortization and provisions	334,804	326,915
Recoveries of depreciation, amortization and provisions	(398)	(455)
Disposal gains and losses	(343)	(143)
Change in inventories	1,200	(5,322)
Change in trade and other accounts receivable	(6,737)	5,739
Change in trade and other accounts payable	(90,750)	(91,594)
Taxes paid	(155,645)	(125,241)
	752,312	791,374
INVESTING ACTIVITIES		
Additions to property, plant and equipment	(59,422)	(60,641)
Additions to intangible assets	(101,339)	(117,939)
Proceeds from disposals of property, plant and equipment and intangible assets	482	364
Additions to non-current financial assets	(3,366)	(15,599)
Proceeds from disposal of non-current financial assets	906	1 539
Net cash held by subsidiaries on acquisition/disposal	(14,016)	(149)
Interest income	3,687	2,107
Dividends received	117	160
	(172,951)	(190,158)
FINANCING ACTIVITIES		
Dividends paid to the owner of Sanef	(279,361)	(280,035)
Dividends paid to non-controlling shareholders	(9)	(11)
New borrowings	161,121	772,313
Reimbursement of borrowings	(305,680)	(891,274)
Investment grants (gross)	2,137	5,313
Interest expense	(188,929)	(205,676)
	(610 721)	(599,370)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(31,360)	1,846
CASH AND CASH EQUIVALENTS – BEGINNING OF PERIOD	75,678	75,204
<i>Cash and cash equivalents – beginning of period, including from assets held for sale</i>	<i>77,050</i>	
Cash and cash equivalents – end of period, including from assets held for sale	45,690	77,050
<i>Cash and cash equivalents from assets held for sale</i>	<i>1,459</i>	<i>1,372</i>
CASH AND CASH EQUIVALENTS – END OF PERIOD	44,231	75,678

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 INFORMATION CONCERNING THE GROUP

The Sanef group holds two concessions granted by the French government, through which it manages the construction and operation of 1,785 kilometers of toll roads, engineering structures and facilities. Of this total, Sanef manages 1,406 kilometers and SAPN manages 379 km according to a new count. As of December 31, 2012, the group's network in service consisted of 1,773 kilometers. January 6, 2012 marked the opening of the 4-kilometer long A813 highway south of Caen between the A13 and the RD 613. As of December 31, 2011, the group's network in service consisted of 1,757 kilometers.

Both Sanef and SAPN are parties to the concession arrangements, which expire in 2029.

The primary concession arrangements are similar for both companies, and the attached specifications constitute the fundamental instruments establishing the relationships between the French government as grantor and both companies. In particular, these arrangements set out the terms and conditions for the construction and operation of the toll roads, the applicable financial provisions, the duration of the concession and the terms under which the installations are to be recovered at the end of the concession.

The provisions most likely to influence the outlook of the group's operations include:

- the obligation to maintain all engineering structures in a good state of repair and to ensure the continuity of traffic circulation under good safety conditions and in good working order;
- the provisions setting toll rates and the conditions for changes thereto;
- the clauses providing for applicable provisions in the event of regulatory changes of a technical or tax nature applicable to toll road operators. If such a change was liable to seriously compromise the financial equilibrium of the concessions, the French government and the concession operators would agree the compensation to be envisaged by mutual agreement;
- the provisions liable to guarantee that all of the engineering structures of the concession have been placed in a proper state of repair on the date the contract expires;
- the conditions under which the assets are to be turned back over to the French government at the end of concession and the restrictions placed upon the assets;
- the ability of the French government to buy out the concession arrangements in the general interest.

In the context of the privatization of the Company, the French government announced its desire to modify the concession arrangements awarded to Sanef via amendments to the agreements that were approved by the boards of directors of Sanef and SAPN on April 27 and May 4, 2006, respectively.

Lastly, on December 31, 2004, long-term program agreements (*contrats d'entreprise*) were signed by Sanef Group companies and the French government, defining capital expenditure programs and tariff policies for 2004-2008. The long-term program agreement between Sanef and the French government for the subsequent period - 2010-2014 - was signed in early 2011 by Sanef, while SAPN's agreement is still being negotiated.

Sanef's registered office is located at 30 boulevard Gallieni – 92130 Issy-les-Moulineaux – France.

2 ACCOUNTING POLICIES

2.1 *Applicable accounting principles*

Sanef's 2012 consolidated financial statements have been prepared in accordance with the international accounting standards published by the International Accounting Standards Board (IASB), as approved by the European Union on December 31, 2012. The texts published by the IASB and not adopted by the EU are not applicable to the Group.

They have been prepared on the historical cost basis, unless specifically stated below. The preparation of the financial statements requires the use of estimates and making of choices regarding the manner in which these standards are applied to certain transactions.

The following standards and interpretations are applicable with effect from 2012:

- Amendment to IAS 1 *Presentation of Financial Statements* entails presenting other comprehensive income that is reclassifiable to profit or loss separately from OCI, as well as the effects of tax associated with this income. This text was adopted by the European Union on June 5, 2012.

The following new standard also becomes mandatory as of the 2012 financial statements. However, it is not applicable to Sanef given the group's nature, activities and organization:

- Amendment to IFRS 7 *Financial Instruments: Disclosures* related to disclosures about transfers of financial assets was not applicable within the group in 2012.

Estimates and judgments:

The preparation of the consolidated financial statements required Management to make certain judgments and to include certain estimates and assumptions. Those estimates and their underlying assumptions were based on past experience and other factors deemed reasonable under the circumstances.

They served as the basis for the judgments that were made, as the information required to determine the carrying amounts of certain assets and liabilities could not be obtained directly from other sources. Actual values may differ from these estimates.

Significant estimates made by the Group relate to the valuation of concession intangible assets in view of a potential impairment, depreciation periods for replaceable assets, the recoverable value of goodwill, provisions (particularly provisions for infrastructure maintenance, and impairment of receivables).

2.2 *Approval of the consolidated financial statements*

The Sanef Group's consolidated financial statements were approved by the Board of Directors on February 20, 2013. The shareholders' meeting that will approve these financial statements is scheduled for April 18, 2013.

2.3 *Consolidation method*

The consolidated financial statements include the financial statements of Sanef, its controlled subsidiaries and its associates, established at the end of each reporting period. The financial statements of subsidiaries and associates are prepared for the same period as those of the parent company.

Subsidiaries are fully consolidated when they are controlled by the Group. Such control is established when the Group has the direct or indirect power to make decisions relating to operations and finance in order to obtain full advantages from the subsidiary.

Non-controlling interests are presented on the statement of financial position in a separate category from equity. The share of non-controlling interests in income is presented on a separate line of the statement of comprehensive income.

Subsidiaries that are jointly controlled are proportionally consolidated.

Companies over which the Group exercises notable influence ("associates") are consolidated using the equity method. Notable influence is presumed when the Group holds more than 20% of a company's shares. If this criterion is not met, other criteria – such as whether the Group is represented on the company's Board of Directors – are considered when deciding whether or not to apply the equity method.

Companies that have been newly acquired are consolidated as from the effective date control is acquired. Their assets and liabilities are valued at that date in accordance with the acquisition method used.

2.4 *Translation of foreign currencies*

In Group companies, transactions in foreign currencies are translated using the exchange rate in effect at the time they occur. Money market assets and liabilities denominated in foreign currencies are translated at the closing exchange rate for the period. Any translation gains and losses are recognized in the statement of comprehensive income as other financial income and expense.

The subsidiaries and equity investments located outside of the eurozone use their local currency as operating currency and this currency is used for the majority of their transactions. Their statements of financial position are translated using the exchange rate in effect at the end of the reporting period, while their statements of comprehensive income are translated using the average annual exchange rate. Any gains or losses that may result from the translation of the financial statements of these subsidiaries and affiliates are recognized in consolidated equity under "Cumulative translation adjustments." Goodwill on these subsidiaries is recognized in the local functional currency.

2.5 *Segment data*

The Group is not obliged to provide segment data, as defined in IFRS 8. However, some indicators presenting the concessions separately from other activities (basically telematics) are presented in note 3.26.

2.6 *Goodwill*

Goodwill represents the difference between the acquisition price (including ancillary costs incurred before the application of the revised IFRS 3) of the shares of companies that are controlled by the Group and the Group's share in the fair value of their net assets at the date control is acquired. It corresponds to non-identifiable items within the acquired companies. In accordance with IFRS 3 *Business Combinations*, goodwill is not amortized.

The Group has a period of 12 months from the date of acquisition to finalize the accounting for any business combinations.

Goodwill is tested for impairment as soon as there is an indication of a loss of value, and at least once per year. For this test, goodwill is allocated at the cash-generating unit level, representing the smallest groups of assets generating autonomous cash flows, compared to the total cash flows of the Group.

2.7 Intangible assets

2.7.1 Intangible assets held under concession arrangements

In accordance with IFRIC 12, intangible assets held under concession arrangements represent the contractual right to use the public service infrastructure made available by the government and to charge users of the public service. The infrastructure must be returned to the government without charge at the end of the concession period.

The concession covers all land, engineering structures and facilities required for the construction, maintenance and operation of each toll road or section of toll road, including on- and off-ramps, out-buildings and other facilities used to provide services to toll road users or designed to optimize toll road operations. Assets may include either original infrastructure or complementary investments on toll roads in service.

On initial recognition, the assets are measured based on the fair value of the construction or improvement work performed on the infrastructure with a contra-entry in profit or loss, corresponding to the revenue recognized for the services performed for the government granting the concession. In practice, fair value is equal to the cost of construction work entrusted to third parties and recognized in other external expenses. Intangible assets held under concession arrangements are amortized over the life of the concession (the Group's main concessions expire in 2029) at a pace that reflects the consumption of economic benefits expected from the intangible right conceded (on a straight-line basis for mature concessions and based on traffic forecasts for new concessions).

2.7.2 Other intangible assets

The remaining intangible assets consist mainly of software purchased by the Group. They are recognized at cost and are amortized on a straight-line basis over a period of three to five years, depending on their useful life.

Currently, development expenses are mainly charged to the statement of comprehensive income in the period during which they are incurred, as they do not meet the requirements for capitalization

2.8 Property, plant and equipment

Following the adoption of IFRIC 12, only the replaceable assets that are not controlled by the grantor, such as toll booth equipment, signage, remote transmission and video-surveillance systems, computer equipment, vehicles, machinery and tools are classified as "property, plant and equipment" in the Sanef Group financial statements. They are depreciated on a straight-line basis over their useful life.

Useful lives	Number of years
Equipment and tools	5 to 8 years
Computer hardware	3
Vehicles	5
Facilities	8

2.9 *Impairment testing of goodwill, other intangible assets and property, plant and equipment*

The legal stipulations and the financial provisions of the concession contracts require that each contract be associated with a cash generating unit (CGU). The value in use of these CGUs is determined by discounting all future net cash flows. Impairment losses are recognized when the recoverable amount of the asset is less than the carrying amount of the goodwill, other intangible assets and property, plant and equipment associated with the CGU. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. Impairment losses are credited to the asset account in question.

The future cash flows used to determine value in use are those defined during the preparation of Sanef's budget and strategic plan, and are management's best estimate of all economic conditions that exist over the asset's remaining useful life. The assumptions are determined on the basis of past experience and independent sources.

2.10 *Financial instruments*

The measurement and recognition of financial assets and liabilities are defined by IAS 39 *Financial Instruments: Recognition and Measurement*.

2.10.1 *Non-derivative financial assets*

When first recorded on the statement of financial position, financial assets are stated at fair value plus transaction costs.

At the date of acquisition, and depending on the purpose of the acquisition, Sanef classifies the financial asset in one of the three accounting categories of financial assets defined by IAS 39. This classification then determines the measurement method applied to the financial asset in future periods: amortized cost or fair value.

Held-to-maturity investments include solely securities with fixed or determinable cash flows and maturities, other than loans and receivables that are purchased with the intention of keeping them until their maturity. These are stated at amortized cost using the effective interest rate method. The net income/loss on held-to-maturity investments will reflect either interest income or impairment. The Group does not currently hold any financial assets belonging to this category.

Loans and receivables are non-derivative financial instruments with fixed or determinable cash flows that are not quoted in a regulated market. These assets are stated at amortized cost using the effective interest rate. This category includes trade receivables, receivables from affiliates, guarantee deposits, financial advances, guarantees and other loans and receivables. Loans and receivables are recognized net of any provisions for impairment due to default risk. Net gains and losses on loans and receivables reflect either interest income or impairment losses.

Available-for-sale assets are stated at fair value, and any change in fair value is recognized directly in equity. This category primarily includes non-consolidated affiliates. These assets are recognized on the statement of financial position at cost, in the absence of an active market. Net gains or losses on available-for-sale assets recognized in income and expenses include dividends, impairment losses and capital gains and losses.

Financial assets at fair value through profit or loss include financial assets and liabilities held for trading which the Group intends, from the date of purchase, to sell or trade within the short term and financial assets that are, on initial recognition, designated as under the fair value option. The Sanef Group is not meant to own and does not own any financial assets held for trading. They are measured at fair value, with changes in fair value recognized through profit or loss in the statement of comprehensive income. Financial assets at fair value through income, designated as such on option, include cash and cash equivalents. The net income or loss on these assets at fair value includes interest income, changes in fair value and capital gains and losses.

Cash includes amounts held in bank current accounts. Cash equivalents are highly liquid investments, maturing in less than three months that do not present any material risk of loss of value. Cash equivalents are included in the category of financial assets at fair value through profit or loss.

2.10.2 Non-derivative financial liabilities

Financial liabilities include borrowings, trade accounts payable and other payables related to operations.

With the exception of financial liabilities measured at fair value through profit or loss, loans and other interest-bearing financial liabilities are stated at amortized cost using the effective interest rate method, which includes a yield-to-maturity based amortization of transaction costs directly linked to the issuance of the financial liability. Given their short maturity, trade and other accounts payable are stated at cost, as the amortized cost method using the effective interest rate method provides very similar results.

2.10.3 Derivatives

Derivative instruments are stated on the statement of financial position at their positive or negative fair value.

Any derivatives put in place in connection with the Group's interest rate management strategy but that do not qualify as hedging instruments, or where the Group has not elected to use hedge accounting, are stated on the statement of financial position at fair value, with changes in fair value through profit or loss.

In cases where these instruments qualify as fair value hedges, changes in fair value are recognized through profit and loss. A change in the fair value that goes against the hedged position, resulting from the risk that is covered, is recognized through profit or loss with a contra entry on the statement of financial position. Given the types of derivative instruments used by the Group, this accounting method has no material impact on the statement of comprehensive income.

Changes in the fair value of derivative instruments that do not qualify as hedging instruments are recognized through profit or loss.

Cash flow hedges are hedges of exposure to fluctuations in cash flows attributable to a particular risk associated with an asset or liability or a planned transaction which would affect reported net income. When derivative instruments qualify as cash flow hedges, any change in the fair value of the effective portion is recognized directly in equity, while any change in the fair value of the ineffective portion is recognized through profit or loss.

2.11 *Inventories*

Inventories consist primarily of fuel and salt. They are stated at weighted average cost and written down to their net realizable value if it is lower.

2.12 *Trade and other accounts receivable*

Trade receivables are initially recognized at fair value and subsequently measured at amortized cost. Trade receivables are recognized in the short term on the basis of their face value, as discounting has no significant impact.

Impairment of trade receivables is recognized when there is objective evidence of the Group's inability to collect all or a portion of the amounts due.

2.13 *Recognition of income taxes*

Taxes include both current income tax expense and deferred taxes.

Tax receivables and payables generated during the year are classified as current assets or liabilities.

Deferred taxes are recognized on all temporary differences between the carrying amount of assets and liabilities and their tax basis. This method consists of calculating deferred taxes using the tax rates expected to apply when the temporary differences reverse, if such tax rates have been enacted. Deferred tax assets are recognized only when it is probable that they will be recovered in the future. Deferred tax assets and liabilities are offset against one another, regardless of when they are expected to reverse, where they concern entities in the tax group. Deferred taxes are not discounted to their present value and are recognized on the statement of financial position as non-current assets and liabilities.

2.14 *Equity*

All costs directly attributable to the capital increases are deducted from additional paid-in capital.

Dividend distributions to Sanef shareholders are recognized as a liability in the financial statements of the Group on the date the dividends are approved by the shareholders.

2.15 *Share-based payments*

Employee compensation in the form of equity instruments is recognized as an expense, with a contra entry to additional paid-in capital. In accordance with IFRS 2 *Share-based Payment*, they are stated at fair value of the instruments granted and the expense is spread over the vesting period.

2.16 *Interest expenses*

The interest expenses generated during the building of conceded engineering structures are included in the building cost of these structures.

2.17 *Current and non-current provisions*

In accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, a provision is recognized when the Group has an obligation to a third party arising from a past event and it is probable that an outflow of resources will be required to fulfill this obligation.

Non-current provisions mainly correspond to the contractual obligation to maintain or restore the infrastructure (excluding any improvements). These provisions are measured based on the Group's best estimate of the future expenditure required to renew toll road surfaces and maintain engineering structures and are set aside as the infrastructure is used. They are discounted using a discount rate representing the time value of money. The impact of discounting non-current provisions is recognized in "Other financial expenses".

2.18 *Employee defined benefit obligations*

Salaried employees of the Sanef Group receive lump-sum termination benefits which are paid to those employees who are actively employed by Sanef when they retire. Furthermore, employees who retire from the subsidiary SAPN are entitled to partial coverage of their healthcare insurance premium contribution. A supplemental defined benefit retirement plan for the Sanef Group's managers was introduced in 2005.

Prior to retirement, employees are paid defined benefits by the Group in the form of long service awards.

These defined benefit obligations are recorded on the statement of financial position and measured using the projected unit credit method, based on estimated future salaries, which are used to calculate benefits. Expenses recognized during the year comprise current service costs during the year, with the financial cost corresponding to the reversal of the discounting of the actuarial obligation. This expense is charged against any return on the hedge assets.

As allowed by IAS 19 *Employee Benefits*, the Group has elected to recognize all actuarial gains and losses arising from the measurement of post-employment obligations directly through reserves. Actuarial gains and losses on other long-term benefits are recognized immediately through profit or loss.

2.19 *Revenue recognition*

Revenues consist nearly entirely of toll receipts and are recognized as the corresponding services are provided.

In accordance with IFRIC 12, the Sanef Group recognizes in "Revenue" an amount corresponding to the fair value of the construction and improvement work performed for the grantor of the concession, with a contra-entry in intangible assets (see note 2.7). Fair value is equal to the cost of construction work subcontracted to third parties and recognized in "Purchases and external expenses". In accordance with IAS 11, revenue and construction costs are recognized by reference to the stage of completion of the contract.

Long-term contracts for services provided by the Group are recorded according to IAS 18 *Revenue* based on the stage of completion of the services.

2.20 *Financial income and expenses*

Interest expense includes interest payable on borrowings, calculated using the amortized cost method at the effective interest rate.

The result on hedging derivatives includes changes in fair value and all flows exchanged.

Other financial income and expenses includes revenues from loans and receivables, calculated using the amortized cost method at the effective interest rate, as well as gains on investments of cash and cash equivalents, impairment of financial assets, dividends and foreign exchange gains and losses.

2.21 *Measuring the fair value of financial instruments*

The fair value of all financial assets and liabilities is determined at the end of the financial period and is recognized either directly in the financial statements or in the notes to the financial statements. The fair value is the amount for which an asset could be exchanged or for which a liability could be extinguished between informed, consenting parties at arm's length.

Most derivative instruments (swaps, caps, collars, etc.) are traded in over-the-counter markets for which there are no quoted prices. As a result, they are measured on the basis of models commonly used by the players involved to measure such financial instruments, using the market conditions existing at the end of the reporting period.

The following valuation techniques, all classified as level 2 of the categories of fair values under IFRS 7, are used to determine the fair value of derivative instruments:

- Interest rate swaps are measured by discounting all future contractual cash flows;
- Options are measured using valuation models (e.g. Black & Scholes) that are based on quotes published on an active market and/or on listings obtained from independent financial institutions;
- Currency and interest rate derivative instruments are measured by discounting the differential in interest payments.

The fair value of unlisted loans is calculated by discounting the contractual flows, one borrowing at a time, at the interest rate Sanef would obtain on similar borrowings at the end of the borrowing period.

The carrying amount of receivables and payables due within one year and certain floating rate receivables and payables is considered to be a reasonable approximation of their fair value, taking into account the short payment and settlement periods used by Sanef.

The valuations generated by these models are adjusted in order to take into account changes in Sanef's credit risk.

2.22 *Assets held for sale*

In accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*, a non-current asset or group of assets must be classified as held for sale if its carrying amount will be recovered principally through a sale or exchange for other assets rather than continuing use.

For this to be the case, the asset (or disposal group) must:

- be available for immediate sale;
- in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups); and
- its sale must be highly probable.

For the sale to be highly probable:

- the appropriate level of management must be committed to a plan to sell the asset (or disposal group);
- an active program to locate a buyer and complete the plan must have been initiated;
- the asset (or disposal group) must be actively marketed for sale at a price that is reasonable in relation to its current fair value;

- the sale should be expected to qualify for recognition as a completed sale within one year from the date of classification; and
- actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Before the initial classification of the asset (or disposal group) as held for sale, the carrying amounts of the asset (or all the assets and liabilities in the group) are measured in accordance with applicable IFRSs. Assets (or disposal groups) classified as held for sale are no longer depreciated or amortized.

Non-current assets or disposal groups that are classified as held for sale are carried at the lower of carrying amount and fair value less costs to sell.

Assets and liabilities included within a disposal group classified as held for sale are presented as current assets and liabilities on a separate line of the statement of financial position.

Details of assets and liabilities concerned by these assets held for sale are presented in note 3.12.

2.23 Reporting standards and interpretations not yet in effect

Certain standards and interpretations have been definitively adopted by IASB and the IFRIC but are still being validated by the EU authorities and therefore not yet applicable, and Sanef has not applied them early in its 2012 consolidated financial statements.

The application of IFRS 10 *Consolidated Financial Statements*, IFRS 11 *Joint Arrangements*, IFRS 12 *Disclosures of Interests in Other Entities*, IFRS 13 *Fair Value Measurement*, IFRS 9 *Financial Instruments*, IAS 27 revised *Separate Financial Statements* and IAS 28 revised *Investments in Associates and Joint Ventures*, as well as of the amendments to IFRS 7 *Financial Instruments: Disclosures*, to IFRS 1 on severe hyperinflation and to IAS 12 regarding the recovery of deferred taxes on underlying assets will have a potential impact on the Group that is not known at this time. The main impact of the revision of IAS 19 *Employee Benefits* will be the recognition at January 1, 2013 of all past service costs not yet recognized at December 31, 2012 in the provision for post-employment benefits with a contra entry to consolidated reserves.

3 DETAILS OF THE SUMMARY FINANCIAL STATEMENTS

3.1 Scope of consolidation

The Sanef Group consists of the parent company Sanef and the following subsidiaries:

Company	Activity	Consolidation Method
SAPN	Toll road concession operator	Full consolidation
Eurotoll	Telematics	Full consolidation
Sanef ITS Operations Ireland (Bet'Eire Flow until January 2013)	Telematics	Full consolidation
SEA 14	Toll road operator	Full consolidation
Sanef d.o.o	Engineering services	Full consolidation
San Toll	Engineering services	Full consolidation
Sanef Tolling	Engineering services	Full consolidation
Sanef Aquitaine	Toll road operator	Full consolidation
Bip & Go	Distribution (Telematics)	Full consolidation
Sanef-SABA Parkings France	Parking garage concessions	Proportional consolidation ⁽¹⁾
Trans-Canada Flow Tolling Inc.	Toll road operator	Proportional consolidation
sanef its technologies (*)	Engineering services	Full consolidation
sanef its technologies America (*) (CS ITS America until January 2013)	Engineering services	Full consolidation
CS ITS British Columbia (*)	Engineering services	Full consolidation
sanef its technologies Caribe (*) (CS ITS Caribe until January 2013)	Engineering services	Full consolidation
CS Croatia (*)	Engineering services	Full consolidation
CS Chile (*)	Engineering services	Full consolidation

CS Polska (*)	Engineering services	Full consolidation
sanef its technologies UK (*) (RTI Systems until January 2013)	Engineering services	Full consolidation
Alis	Toll road concession operator	Equity method
Routalis	Toll road operator	Equity method
A'Liéonor	Toll road concession operator	Equity method

⁽¹⁾ As from June 30, 2011, the assets and liabilities of Sanef Saba Parkings France have been classified as "Assets held for sale" and "Liabilities related to assets held for sale" in accordance with the provisions of IFRS 5 (see note 13.2).

The CS-ITS Group (*), a long-standing player in the toll sector for over 40 years, was acquired on October 1, 2012 and recognized in the Sanef Group's consolidated financial statements as of that date. The group has since been renamed *sanef-its technologies*. The company employs 220 people at its seven sites in Europe (France, United Kingdom, Croatia), North America (United States, Canada and Puerto Rico) and South America (Chile). A solutions and systems integrator, *sanef-its technologies* offers the most comprehensive range of systems in the market, with four areas of expertise: traditional toll collection, free-flow toll systems, emergency call networks and back office solutions. The acquisition method was applied in the Sanef Group's consolidated financial statements (see note 3.11 Goodwill).

Bip & Go, created on May 1, 2012, is a wholly-owned company of Sanef which distributes Liber-T electronic toll collection tags on behalf of Sanef and SAPN.

In Slovakia, the San Toll company absorbed the Slov Toll company on January 1, 2012. Both these companies were 100%-owned by the group as of December 31, 2011.

ASL, which had no operations, was dissolved during the second half of 2012 with no significant impact on the Group's financial statements.

Trans-Canada Flow Tolling Inc. is a 50%-owned company with the Egis Group which has operated the eight-lane Port Mann/BC1 bridge in Vancouver, Canada since December 1, 2012. This is a free-flow bridge.

3.1.1 Investments in associates

Summary financial highlights of associates:

2012 (in € thousands)	A'LIENOR	ALIS	ROUTALIS
% interest	35%	19.67%	30%
Assets	1,262,449	931,626	2,805
Liabilities	973,803	751,146	1,679
Equity	288,646	180,480	1,126
Revenue	38,256	55,701	10,594
Operating profit (loss)	9,908	27,151	1,775
Profit (loss) before tax	(35,110)	(17,422)	1,774
Net income (loss)	(35,110)	(17,422)	1,081

<i>2011 (in € thousands)</i>	A'LIENOR	ALIS	ROUTALIS
<i>% interest</i>	<i>35%</i>	<i>19.67%</i>	<i>30%</i>
Assets	1,240,762	929,809	4,234
Liabilities	971,622	728,000	2,807
Equity	269,140	201,809	1,427
Revenue	34,891	53,642	10,790
Operating profit (loss)	9,425	24,625	2,467
Profit (loss) before tax	(34,623)	(21,550)	2,444
Net income (loss)	(34,623)	(21,550)	1,383

Sanef stopped recognizing its share of Alis's losses, as they exceeded the value of its investment. The unrecognized share of Alis's losses amounted to €3.4 million in 2012 and €26.6 million in aggregate.

3.2 Revenue

<i>(in € thousands)</i>	2012	2011
Toll receipts	1,382,178	1,382,615
Subscription sales and telematics services	20,595	19,441
Fees from service area operators	29,516	27,680
Telecommunications fees	6,371	6,253
Engineering services and other	56,821	52,985
Revenue from activities other than toll receipts	113,303	106,358
Revenue from construction work performed by third parties	108,476	88,555
Revenue	1,603,956	1,577,528

Subscription sales and telematics services include the billing of management fees on subscriptions and sales of equipment and the processing of information collected by these devices.

Fees from service station and other service area operators correspond to fees received from the operators of service stations and other retail outlets located in toll road rest and service areas.

Telecommunications fees correspond mainly to the rental of fiber optic cables and masts to telecoms operators.

Engineering services and other includes sales of fuel, the various services provided on the network or in close proximity, the services provided by the non-toll road operator subsidiaries (Bet'Eire Flow, parking garages, Slovakia, etc.) and revenue from sales of services provided by the sanef-its technologies subgroup from October 1, 2012.

3.3 Purchases and external expenses

<i>(in € thousands)</i>	2012	2011
Purchases and change in inventory	(27,631)	(27,788)
Maintenance of infrastructure	(15,323)	(20,312)
Maintenance and repair	(11,829)	(12,491)
Other external expenses	(61,090)	(63,364)
Expenses for construction work carried out by third parties	(108,476)	(88,555)
Purchases and external expenses	(224,348)	(212,510)

3.4 Payroll costs

<i>(in € thousands)</i>	2012	2011
Salaries and wages	(116,650)	(114,321)
Payroll taxes	(56,920)	(54,607)
Incentive plan	(4,478)	(6,216)
Employee profit-sharing	(11,259)	(10,990)
Cost of stock option plans	(182)	(331)
Post-employment and other long-term employee benefits	(4,351)	(3,361)
Payroll costs	(193,841)	(189,827)

Abertis set up stock options plans in favor of the members of the Sanef Management Committee in 2008 (2008 plan), 2009 (2009 plan) and 2010 (2010 plan). Abertis did not set up any new stock option plans in favor of the members of the Sanef Group Management Committee in 2011 and 2012.

These plans gave rise to an expense of €182 thousand (€331 thousand in 2011), with a contra-entry to reserves.

Primary assumptions used by the Abertis group for the valuation of the stock option plans:

	2008 plan	2009 plan	2010 plan
Valuation model	Hull & White	Hull & White	Hull & White
Initial exercise price (€/share)	20.51	12.06	14.57
Adjusted exercise price as of 12/31/2012 (€/share)	15.10	8.95	11.62
Grant date	04/02/2008	04/02/2009	04/28/2010
Expiration	04/02/2013	04/02/2014	04/28/2015
Term of option at expiration	5 years	5 years	5 years
<i>o.w. vesting period</i>	<i>3 years</i>	<i>3 years</i>	<i>3 years</i>
Type of option	Call/Bermuda	Call/Bermuda	Call/Bermuda
Price of underlying stock at grant date	21.00	11.99	13.03
Expected volatility	21.29%	24.75%	27.52%
Risk free rate	4.13%	2.63%	2.31%
Early cancellation rate	0.00%	0.00%	0.00%

Movements in the 2008, 2009 and 2010 plans during 2012:

	2008 plan	2009 plan	2010 plan
Number of options as of January 1, 2012	139,767	183,596	232,607
Options granted – new plan			
New options granted during the year	6,979	7,169	11,184
Options cancelled	(7,656)	(57,151)	(8,681)
Number of options as of December 31, 2012	139,090	133,614	235,110

3.5 Other income and expenses

<i>(in € thousands)</i>	2012	2011
Gains on disposal of PP&E and intangible assets	361	143
Capitalized production costs	6,971	5,710
Operating grants	582	823
Miscellaneous income	7,221	11,570
Other income	15,136	18,245
Miscellaneous expenses	(3,556)	(3,972)
Other net additions to provisions	(3,191)	(626)
Other expenses	(6,746)	(4,597)

3.6 *Taxes other than on income*

<i>(in € thousands)</i>	2012	2011
Regional development tax	(101,047)	(102,385)
Local business tax	(46,761)	(38,805)
Local government royalties	(37,626)	(36,732)
Other taxes	(10,359)	(10,201)
Taxes other than on income	(195,792)	(188,123)

The regional development tax is calculated on the basis of the number of kilometers of toll-paying toll roads in the network that were traveled during the year. This tax is paid on a monthly basis and a final adjustment payment is made at the end of the year. The regional development tax has been levied at the basic rate of €7.32 per thousand kilometers traveled.

The royalty paid to local governments (also known as the annual royalty for occupation of a public domain) is an obligation created by Article 1 of Decree No. 97-606, dated May 31, 1997 and voted as Article R.122-27 of the French Toll Road Code. It is a tax calculated on the basis of the revenues earned by the concessionaire from its toll road concession activity, operated in the public domain, and the number of kilometers of toll roads operated as of December 31 of the preceding year. This tax is paid in July of each year, to cover the period from July 1 to June 30 of the following year.

The change in the line "Taxes other than on income" is therefore very directly related to the change in revenues, essentially from the concession operator companies.

3.7 *Depreciation, amortization and provisions*

<i>(in € thousands)</i>	2012	2011
Amortization of intangible assets	(244,564)	(241,993)
Depreciation of PP&E: concessions	(41,075)	(39,471)
Depreciation of PP&E: other companies	(1,994)	(960)
Total depreciation and amortization	(287,633)	(282,424)
Additional provisions on infrastructures under concession	(40,551)	(36,816)
Depreciation, amortization and provisions	(328,184)	(319,240)

3.8 *Financial income and expenses*

Analysis of financial income and expenses:

<i>(in € thousands)</i>	2012	2011
Interest expenses on debt stated at amortized cost	(196,946)	(213,325)
Total interest expenses	(196,946)	(213,325)

<i>(in € thousands)</i>	2012	2011
Other financial expenses		
Interest expenses on interest rate derivatives	(6,164)	(5,485)
Discounting expense	(16,445)	(16,498)
Changes in fair value of financial instruments	(5,215)	(11,692)
Miscellaneous financial expenses	(495)	(7,313)
Total other financial expenses	(28,319)	(40,989)

<i>(in € thousands)</i>	2012	2011
Financial income		
Interest income on interest rate derivatives	14,417	12,077
Income from equity investments	117	160
Changes in fair value of financial instruments	4,616	7,912
Income from other receivables and marketable securities	2,917	1,524
Miscellaneous financial income	626	8,073
Total financial income	22,694	29,746

3.9 Income taxes

Tax proof for fiscal years 2011 and 2012:

<i>(in € thousands)</i>	2012	2011
Net income	286,888	281,912
Income tax	168,894	163,407
To be excluded: Share in net income of associates	11,828	11,588
Profit before tax	467,610	456,907
Theoretical tax expense (36.10% in 2012 and 2011)	(168,807)	(164,943)
Non deductible expenses - permanent differences	(326)	(864)
Differences in tax rates of foreign companies	112	590
Difference observed in rates on deferred taxes recognized at 34.43% (1.67%)	254	2 262
Tax credits, temporary differences and other	(127)	(452)
Effective tax expense	(168,894)	(163,407)

Analysis of deferred taxes by key statement of financial position lines:

<i>(in € thousands)</i>	December 31, 2012		December 31, 2011	
	Base	Taxes	Base	Taxes
Property, plant and equipment and intangible assets	(158,182)	54,462	(192,943)	66,430
Provisions for risks and charges	203,483	(70,059)	191,281	(65,858)
Debt and other	(11,406)	3,927	(11,969)	4,121
TOTAL	33,895	(11,670)	(13,631)	4,693

There was less than €0.1 million in unrecognized tax assets as of December 31, 2012 (€0.3 million as of December 31, 2011).

3.10 Earnings per share and dividends

Basic earnings per share are calculated by dividing distributable net income attributable to owners of the parent for the period by the weighted average number of shares outstanding during the period.

As the group has no dilutive instruments, diluted earnings per share are identical to basic earnings per share.

3.11 Goodwill

Goodwill amounted to €6,716 thousand, compared with €5 thousand as of December 31, 2011.

The Sanef Group acquired the CS-ITS Group from the CS Group on October 1, 2012. Renamed sanef-its technologies, the acquisition of this group had the following impact on the Sanef Group's consolidated financial statements:

- The recognition of €7,800 thousand (before tax) in valuation differences related to the identification of intangible assets at the time of acquisition and valued at fair value (technologies and outstanding

contracts). The amortization of these differences in 2012 represents an expense of €325 thousand before tax.

- The creation of €6,711 thousand in goodwill corresponding to the difference between the fair value of the consideration transferred and the fair value of the assets acquired and liabilities assumed on the acquisition date.

3.12 Assets and related liabilities held for sale

Assets and related liabilities held for sale concern the “parking garage” activity, which is proportionately consolidated. As this entity does not meet the criteria for separate presentation in the statement of comprehensive income established by IFRS 5, its flows are included line-by-line in income for the period. The “logistics” activity at December 31, 2011 was represented by ASL, a company liquidated in 2012.

This classification in assets and liabilities held for sale resulted from the spinning-off by the Abertis Group (parent company of the Sanef Group) of its parking garage and logistics operations into Saba Infraestructuras in October 2011. Accordingly, the parking garage activity is no longer considered strategic to the Abertis Group and its subsidiaries, including the Sanef subgroup. The assets and related liabilities of the parking garage activity were reclassified into held for sale on June 30, 2011. Although the activity had not yet been sold as of December 31, 2012, the Sanef Group remains fully engaged in a process aimed at selling this business.

Analysis of assets and related liabilities held for sale:

<i>(in € thousands)</i>	December 31, 2012		December 31, 2011	
	50% (1)	100%	50% (1)	100%
Group of assets held for sale				
Property, plant and equipment and intangible assets	16,685	33,370	16,685	33,370
Other non-current assets	638	1,276	784	1,568
Cash and cash equivalents	1,459	2,918	1,372	2,744
Trade receivables and other current assets	1,068	2,136	1,046	2,092
Total group of assets	19,850	39,700	19,887	39,774
Liabilities related to the group of assets held for sale				
Non-current provisions	12,069	24,138	14,550	29,100
Other non-current liabilities	15	30	7	14
Current provisions	5,967	11,934	3,917	7,834
Other non-current liabilities	2,704	5,408	2,672	5,344
Total liabilities related to the group of assets	20,755	41,510	21,146	42,292

(1) The group of assets and related liabilities consists of a 50%-owned company that is proportionally consolidated in the financial statements of the Sanef Group.

In 2012, the parking garage activity generated a net profit of €714 thousand, of which €357 thousand (50%) was recognized in the financial statements of the Sanef Group (net loss of €504 thousand in 2011, of which €252 thousand was recognized in the financial statements of the Sanef Group for the parking garage and logistics activities).

3.13 *Intangible assets*

Gross amount (in € thousands)	January 1, 2012	Additions	Disposals	Changes in consolidation scope and other (*)	December 31, 2012
Purchased software	54,635	8,981	(116)	255	63,755
Other intangible assets	3,809	1,376		7,927	13,112
Concession intangible assets	8,279,722	108,476			8,388,198
TOTAL	8,338,166	118,833	(116)	8,182	8,465,065

Gross amount (in € thousands)	January 1, 2011	Additions	Disposals	Changes in consolidation scope and other (*)	December 31, 2011
Purchased software	52,290	5,660	(3,261)	(54)	54,635
Other intangible assets	3,821	34		(46)	3,809
Concession intangible assets	8,208,131	90,918	(5)	(19,323)	8,279,722
TOTAL	8,264,242	96,613	(3,266)	(19,423)	8,338,166

Amortization (in € thousands)	January 1, 2012	Additions	Disposals	Changes in consolidation scope and other (*)	December 31, 2012
Purchased software	(31,571)	(8,680)	116	(159)	(40,295)
Other intangible assets	(2,700)	(634)		(42)	(3,376)
Concession intangible assets	(3,967,708)	(235,249)		(21)	(4,202,976)
TOTAL	(4,001,979)	(244,563)	116	(221)	(4,246,647)

Amortization (in € thousands)	January 1, 2011	Additions	Disposals	Changes in consolidation scope and other (*)	December 31, 2011
Purchased software	(26,668)	(8,040)	3,137		(31,571)
Other intangible assets	(2,082)	(618)			(2,700)
Concession intangible assets	(3,737,113)	(233,335)	3	2,737	(3,967,708)
TOTAL	(3,765,863)	(241,993)	3,140	2,737	(4,001,979)

Net amount (in € thousands)	January 1, 2012	December 31, 2012
Purchased software	23,064	23,460
Other intangible assets	1,109	9,736
Concession intangible assets	4,312,014	4,185,222
TOTAL	4,336,187	4,218,418

Net amount (in € thousands)	January 1, 2011	December 31, 2011
Purchased software	25,621	23,064
Other intangible assets	1,739	1,109
Concession intangible assets	4,471,018	4,312,014
TOTAL	4,498,378	4,336,187

(*) The column "Changes in consolidation scope and other" in 2012 includes the consolidation of the sanef-its group (see note 3.11) and in 2011 the classification of the parking garage activity as a "group of assets held for sale" from June 30, 2011 (see note 3.12).

Works signed for but not yet executed amounted to €121,458 thousand as of December 31, 2012 and €143,003 thousand as of December 31, 2011. These works concern primarily intangible assets.

3.14 Property, plant and equipment

Gross amount (in € thousands)	January 1, 2012	Additions	Disposals	Changes in consolidation scope and other (*)	December 31, 2012
Concession operating assets	568,627	50,770	(23,456)	(4,169)	591,772
Other companies' assets	7,100	8,639	(3)	5,648	21,384
TOTAL	575,727	59,409	(23,459)	1,479	613,156

Gross amount (in € thousands)	January 1, 2011	Additions	Disposals	Changes in consolidation scope and other	December 31, 2011
Concession operating assets	502,655	58,748	(2,740)	9,964	568,627
Other companies' assets	15,344	1,838	(125)	(9,956)	7,100
TOTAL	517,999	60,586	(2,865)	8	575,727

Depreciation (in € thousands)	January 1, 2012	Additions	Disposals	Changes in consolidation scope and other (*)	December 31, 2012
Concession operating assets	(391,688)	(41,075)	21,609		(411,154)
Other companies' assets	(4,344)	(1,994)		(1,575)	(7,913)
TOTAL	(396,033)	(43,069)	21,609	(1,575)	(419,067)

Depreciation (in € thousands)	January 1, 2011	Additions	Disposals	Changes in consolidation scope and other	December 31, 2011
Concession operating assets	(352,803)	(38,188)	2,689	(3,387)	(391,688)
Other companies' assets	(5,567)	(2,243)	81	3,385	(4,344)
TOTAL	(358,370)	(40,431)	2,770	(2)	(396,033)

Net amount (in € thousands)	January 1, 2012	December 31, 2012
Concession operating assets	176,939	180,618
Other companies' assets	2,756	13,471
TOTAL	179,695	194,089

Net amount (in € thousands)	January 1, 2011	December 31, 2011
Concession operating assets	149,852	176,939
Other companies' assets	9,777	2,756
TOTAL	159,629	179,695

(*) The column "Changes in consolidation scope and other" includes the consolidation of the sanef-its group from October 1, 2012 (see note 3.11 Goodwill) and the transfer to Bip&Go, a non-concession distribution company, of the Liber-T tags on May 1, 2012. These tags were previously distributed by Sanef and Sapn.

3.15 *Current and non-current financial assets*3.15.1 *Carrying amount of financial assets by accounting category*

The financial assets reported in the tables below exclude “Trade and other accounts receivable” (note 3.16) and “Cash and cash equivalents” (note 3.17).

Non-current financial assets (in € thousands)	December 31, 2012 – Carrying amount					Fair value
	Available-for-sale financial assets	Loans and receivables	Derivatives not qualified for hedge accounting	Derivatives qualified for hedge accounting	Carrying amount	
Non-consolidated affiliates	3,022				3,022	3,022
Loans to equity investments		71,767			71,767	71,767
Loans		1,666			1,666	1,666
Deposits and collateral		874			874	874
Derivative instruments				33,118	33,118	33,118
Other financial assets		385			385	385
Total non-current financial assets	3,022	74,692		33,118	110,832	110,832

Non-current financial assets (in € thousands)	December 31, 2011 – Carrying amount					Fair value
	Available-for-sale financial assets	Loans and receivables	Derivatives not qualified for hedge accounting	Derivatives qualified for hedge accounting	Carrying amount	
Non-consolidated affiliates	3,022				3,022	3,022
Loans to equity investments		69,503			69,503	69,503
Loans		1,631			1,631	1,631
Deposits and collateral		663			663	663
Derivative instruments				28,501	28,501	28,501
Other financial assets		203			203	203
Other financial receivables						
Total non-current financial assets	3,022	72,000		28,501	103,524	103,524

Loans to equity investments as of December 31, 2012 included primarily €44,660 thousand for Alis (€42,969 thousand as of December 31, 2011) and €18,481 thousand for A'Liénor (€17,100 thousand as of December 31, 2011).

Current financial assets (in € thousands)	December 31, 2012 – Carrying amount					Fair value
	Available-for-sale financial assets	Loans and receivables	Derivatives not qualified for hedge accounting	Derivatives qualified for hedge accounting	Carrying amount	
Interest on loans to equity investments		1,437			1,437	1,437
Derivative instruments				105	105	105
Other financial receivables		20,692			20,692	20,692
Total current financial assets		22,130		105	22,235	22,235

Current financial assets (in € thousands)	December 31, 2011 – Carrying amount					Fair value
	Available-for-sale financial assets	Loans and receivables	Derivatives not qualified for hedge accounting	Derivatives qualified for hedge accounting	Carrying amount	
Interest on loans to equity investments		2,134			2,134	2,134
Derivative instruments			38		38	38
Other financial assets		2			2	2
Other financial receivables		17,325			17,325	17,325
Total current financial assets		19,462	38		19,500	19,500

Other financial receivables amounting to €20,692 thousand as of December 31, 2012 (€17,325 thousand as of December 31, 2011) included:

- the net value of all other claims (€18,152 thousand as of December 31, 2012 versus €16,053 thousand as of December 31, 2011, including Sanef and SAPN's TIS mandates);
- current account advances to non-consolidated affiliates (€2,537 thousand as of December 31, 2012 versus €1,272 thousand as of December 31, 2011).

3.15.2 *Non-consolidated affiliates*

List of non-consolidated affiliates:

(in € thousands)	% interest held as of December 31, 2012	Carrying amount	
		December 31, 2012	December 31, 2011
- Soderane	99.99	15	15
- Sonora	99.8	8	8
- Centaure Pas de Calais	34	259	259
- Centaure Normandie	49.9	343	343
- Centaure Grand-est	14.45	131	131
- Autoroutes Traffic SNC	20.63	72	72
- GSA Location	100	500	500
- Sanef Concession	99.86	37	37
- V Flow Tolling Inc	30	2	2
- Gallieni Investissement 1	100	10	10
- Gallieni Investissement 2	100	10	10
- Eurotoll z.r.t.	100	18	18
- Skytoll a.s.	10	1,500	1,500
- Sogarel	5	100	100
- Cardus	100	16	16
- Emetteur Groupe Sanef (EGS)	100	1	1
Total titres de participation non consolidés		3,022	3,022

Non-consolidated affiliates classified as financial assets held for sale include entities controlled by Sanef, but not consolidated. If these entities were consolidated, the impact on the consolidated financial statements would not be material.

There were no changes in non-consolidated affiliates between December 31, 2011 and December 31, 2012.

3.15.3 *Derivatives*

Derivatives include:

1. €33,118 thousand in swaps that qualify as fair value hedges recognized in assets (€28,501 thousand recognized as of December 31, 2011),
2. €105 thousand in caps that do not qualify for hedge accounting recognized in assets (€38 thousand recognized in assets as of December 31, 2011),
3. €3,478 thousand in collars recognized in liabilities as of December 31, 2012, some of which qualify as cash flow hedges (€2,975 thousand recognized in liabilities as of December 31, 2011).

3.15.4 Information on loans and receivables in non-current financial assets

Building-related loans for a discounted amount of €1,287 thousand are included in the “Loans” category as of December 31, 2012 (€1,237 thousand as of December 31, 2011). These interest-free loans, which were granted to employees as part of the employer’s legal obligation to contribute to the construction effort, are to be repaid over a period of 20 years. The interest rate used to discount these loans (4%) is also used to calculate the corresponding financial income recognized in the statement of comprehensive income.

3.16 Trade and other accounts receivable

<i>(in € thousands)</i>	December 31, 2012	December 31, 2011
Prepayments and down payments on orders	2,834	158
Receivables from toll activities	96,238	75,281
Receivables from other activities	17,702	11,881
Doubtful accounts	11,311	9,620
Unbilled receivables	75,088	72,572
Provisions for impairment of trade receivables	(4,863)	(2,852)
Trade and other financial receivables (1)	198,309	166,661
Miscellaneous non-financial receivables	82,722	79,790
Total trade and other accounts receivable	281,031	246,451

(1) Financial assets classified as loans and receivables.

Trade and other accounts receivable are classified as “loans and receivables” under IAS 39 and are stated on the statement of financial position at face value, less any impairment.

Given their very short maturities, this valuation method is very close to both the amortized cost using the effective interest rate method and to the fair value.

Non-financial receivables include payroll and tax receivables, excluding any current income tax receivables.

3.17 Cash and cash equivalents

The accounting treatment applied by the Group for cash equivalents is the same as that applied to financial assets at fair value through profit or loss. Cash and cash equivalents are carried at fair value.

Analysis of cash and cash equivalents:

<i>(in € thousands)</i>	December 31, 2012	December 31, 2011
Cash equivalents: money-market mutual funds		31,268
Cash in bank	44,278	44,987
Total cash and cash equivalents	44,278	76,255

Sanef's policy is to invest excess cash in money-market mutual funds with financial institutions rated A+ or higher by S&P.

3.18 Capital stock and additional paid-in capital

As of December 31, 2012 and December 31, 2011, Sanef had capital stock of €53,090,456, divided into 76,615,132 shares with a par value of €0.69295 per share. All shares are entitled to receive dividend payments. Share premiums, which correspond to shareholders' contributions over and above the share par value, totaled €715,288,000 as of December 31, 2011. They were reduced by €60,875,000 in the first half of 2012 through an exceptional distribution approved by the General Shareholders' Meeting on April 16, 2012 and stood at €654,413,000 at December 31, 2012.

3.19 Provisions

As of December 31, 2012:

Non-current	January 1, 2012	Additions	Recoveries		Discounting effects	Change in scope and other	December 31, 2012
			Uses	Surplus provisions			
Provisions on toll roads under concession	277,819	40,551	(59,522)		15,557		274,405
Other	3,478						3,478
TOTAL	281,297	40,551	(59,522)		15,557		277,883

Current	January 1, 2012	Additions	Recoveries		Discounting effects	Change in scope and other	December 31, 2012
			Uses	Surplus provisions			
Provisions on toll roads under concession							
Claims and litigation	4,243	819	(448)			18	4,632
Other	2,613		(1,043)			831	2,401
TOTAL	6,856	819	(1,491)			849	7,033

TOTAL	January 1, 2012	Additions	Recoveries		Discounting effects	Change in scope and other	December 31, 2012
			Uses	Surplus provisions			
Provisions on toll roads under concession	277,819	40,551	(59,522)		15,557		274,405
Claims and litigation	4,243	819	(448)			18	4,632
Other	6,091		(1,043)			831	5,879
TOTAL	288,153	41,370	(61,013)		15,557	849	284,916

All provisions pertaining to the toll road concessions (provisions for future renewal of toll road surfaces and maintenance of engineering structures) are classified as non-current provisions.

As of December 31, 2011:

Non-current	January 1, 2011	Additions	Recoveries		Discounting effect	Change in scope and other (*)	December 31, 2011
			Uses	Surplus provisions			
Provisions on car parks under concession	16,650		(1,248)		712	(16,114)	
Provisions on toll roads under concession	278,870	40,002	(53,344)	(3,186)	15,477		277,819
Other		3,478					3,478
Total	295,520	43,480	(54,592)	(3,186)	16,189	(16,114)	281,297

Current	January 1, 2011	Additions	Recoveries		Discounting effect	Change in scope and other (*)	December 31, 2011
			Uses	Surplus provisions			
Provisions on car parks under concession	2,312	967	(1,234)		310	(2,355)	
Provisions on toll roads under concession							
Claims and litigation	3,765	869	(391)				4,243
Taxes							
Other	1,677	936					2,613
Total	7,754	2,772	(1,625)		310	(2,355)	6,856

TOTAL	January 1, 2011	Additions	Recoveries		Discounting effect	Change in scope and other (*)	December 31, 2011
			Uses	Surplus provisions			
Provisions on car parks under concession	18,962	967	(2,482)		1,022	(18,469)	
Provisions on toll roads under concession	278,870	40,002	(53,344)	(3,186)	15,477		277,819
Claims and litigation	3,765	869	(391)				4,243
Taxes							
Other	1,677	3,414					6,091
Total	303,274	46,252	(56,217)	(3,186)	16,499	(18,469)	288,153

(*) The column "Changes in consolidation scope and other" includes the classification of the car park business as "liabilities related to assets held for sale" from June 30, 2011 (see note 3.12).

3.20 Long-term employee benefits

Long-term employee benefits include post-employment defined benefit plans (termination benefits, retirees' supplemental health insurance, supplemental retirement plan) and other types of benefits (CATS early retirement program, long service awards).

Analysis of total long-term employee benefits on the statement of financial position:

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
Post-employment defined benefit plans	38,182	25,445
Other benefits	<u>4,281</u>	<u>4,602</u>
Total	42,463	30,047

3.20.1 *Post-employment defined benefit plans*

Analysis of defined benefit plans:

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
Obligations and rights at the end of the period	43,815	32,061
Fair value of plan assets	<u>(1,573)</u>	<u>(2,294)</u>
Total net obligation	42,242	29,767
Unrecognized past service costs	<u>(4,060)</u>	<u>(4,322)</u>
Net amount on statement of financial position	38,182	25,445

During the first half of 2011 Sanef, SAPN and SEA14 all signed amendments to their respective termination benefit programs. Under these agreements, seniority-based termination benefits are now capped at eight months. These changes triggered a €4,479 thousand increase in termination benefit obligations during the first half of the year. The obligation in Sanef's statement of financial position is recognized against these past service costs recognized on a straight-line basis in the statement of comprehensive income over the average period until the employees' rights have vested. In 2012, this amortization amounted to €243 thousand (€176 thousand in 2011).

Analysis of main assumptions used to calculate the above amounts:

	December 31, 2012	December 31, 2011
Discount rate	2.75%	4.50%
Salary increase rate	2.75%	2.75%
Life expectancy tables	INSEE 2010	INSEE 2010
Age of entry into professional life	20/24	20/24
Retirement age	60/65	60/64
Payroll tax rate	45 %	45 %

Defined benefit obligations are funded entirely by the Group with the exception of the retirement plan for key executives, which is partially funded.

<i>Analysis of plans by funding (in € thousands)</i>	December 31, 2012	December 31, 2011
Totally or partially-funded liabilities	53	304
Non-funded liabilities	42,189	29,463
TOTAL	42,242	29,767

The following tables summarize the Group's obligations as of December 31, 2012 and December 31, 2011, and the fair value of the funded plan assets, for each type of obligation (pensions, termination benefits, retirement plans of the key executives) and supplemental health benefits for the retirees of SAPN.

Employee benefits (in € thousands)	Termination benefits		Supplemental retirement plan		Supplemental health benefits		TOTAL	
	Dec 31, 2012	Dec 31, 2011	Dec 31, 2012	Dec 31, 2011	Dec 31, 2012	Dec 31, 2011	Dec 31, 2012	Dec 31, 2011
Obligations and rights at beginning of year	20,347	14,736	2,598	2,216	9,116	7,329	32,061	24,281
New commitments and modifications		4,479	(304)	304			(304)	4,783
Current service costs	1,249	959	138	138	663	542	2,050	1,639
Interest expense	920	853	103	100	410	348	1,433	1,301
Actuarial (gains) losses	4,841	382	538	(160)	4,608	897	9,987	1,119
Benefits paid	(563)	(1,062)	(1,447)				(2,010)	(1,062)
Change in scope	598						598	
Obligations and rights at end of year	27,392	20,347	1,626	2,598	14,797	9,116	43,815	32,061

Fair value of plan assets (in € thousands)	Termination benefits		Supplemental retirement plan		Supplemental health benefits		TOTAL	
	Dec 31, 2012	Dec 31, 2011	Dec 31, 2012	Dec 31, 2011	Dec 31, 2012	Dec 31, 2011	Dec 31, 2012	Dec 31, 2011
Fair value of plan assets at beginning of year			2,294	2,216			2,294	2,216
Expected return on plan assets			47	47			47	47
Actuarial gains (losses)			17	31			17	31
Employer contributions			662				662	
Benefits paid by the plan/company			(1,447)				(1,447)	
Fair value of plan assets at end of year			1,573	2,294			1,573	2,294

Actuarial (gains) losses recognized in reserves
(in € thousands)

	Termination benefits		Supplemental retirement plan		Supplemental health benefits		TOTAL	
	Dec 31, 2012	Dec 31, 2011	Dec 31, 2012	Dec 31, 2011	Dec 31, 2012	Dec 31, 2011	Dec 31, 2012	Dec 31, 2011
Actuarial (gains) losses	4,841	382	521	(191)	4,608	897	9,970	1,088
Actuarial (gains) losses recognized in reserves	4,841	382	521	(191)	4,608	897	9,970	1,088

Cumulative actuarial (gains) losses recognized in reserves at end of year
(in € thousands)

	Termination benefits		Supplemental retirement plan		Supplemental health benefits		TOTAL	
	Dec 31, 2012	Dec 31, 2011	Dec 31, 2012	Dec 31, 2011	Dec 31, 2012	Dec 31, 2011	Dec 31, 2012	Dec 31, 2011
Cumulative actuarial (gains) losses recognized in reserves at end of year	6,930	2,089	(2,217)	(2,738)	5,314	706	10,027	57

The total actuarial losses attributable to defined benefit post-employment obligations amounted to €9,970 thousand in 2012 (€1,088 thousand in 2011). These actuarial losses included €10,508 thousand on changes in actuarial assumptions (discount rate reduced from 4.5% to 2.75%) compared with €430 thousand in 2011 (changes in discount and salary increase rates), and €538 thousand in experience-related gains (€658 thousand in experience-related losses in 2011).

Post-employment defined benefit obligations over the last five years:

(in € thousands)	2012	2011	2010	2009	2008
Projected benefit obligation	43,815	32,061	24,280	23,723	19,848
Fair value of plan assets	1,573	2,294	2,216	2,600	1,080
Net unfunded obligation	42,242	29,767	22,064	21,123	18,768

Analysis of actuarial gains and losses:

(in € thousands)	2012	2011	2010	2009	2008
Actuarial (gains) losses generated during the period	9,970	1 088	100	2,677	(868)
- from changes in actuarial assumptions	10,508	430	22	2,412	
- from experience-related actuarial changes on plan liabilities	(521)	689	124	239	
- from experience-related actuarial changes on plan assets	(17)	(31)	(2)	26	

3.20.2 Other long-term benefits

Other long-term benefits include the CATS early retirement program described below and long service awards.

CATS (*Cessation anticipée de certains travailleurs salariés*), an early retirement program, allows salaried employees who reach 57 years of age between the years 2008 and 2016 and who have worked a certain number of years for the company as laborers to qualify for early-retirement benefits that are partially funded by the French government.

Provisions for the contributions of Sanef and SAPN have been set aside as termination benefits and have been recognized since the program was implemented in December 31, 2007.

At December 31, 2012, all the remaining eligible employees were included in the provision. The provision was discounted at a rate of 2.75% (4.5% at December 31, 2011).

(in € thousands)	December 31, 2012			December 31, 2011		
	CATS	Long service awards	TOTAL	CATS	Long service awards	TOTAL
At January 1	3,625	977	4,602	4,706	995	5,701
Additions	164	44	208		47	47
Recoveries (uses)	(1,292)	(178)	(1,470)	(1,087)	(157)	(1,244)
Discounting	170		170	64		64
Actuarial (gains) losses	554	217	771	(58)	92	34
At the end of the period	3,221	1,060	4,281	3,625	977	4,602

3.21 Financial liabilities by accounting category

Current and non-current financial liabilities:

(in € thousands)	As of December 31, 2012				
	Liabilities at amortized cost	Liabilities held for trading	Derivatives qualified as hedging	Carrying amount	Fair value
Borrowings: current and non-current portions	3,562,517			3,562,517	4,203,282
Hedging derivatives		2,381	1,367	3,748	3,748
Central government advances	17,318			17,318	17,318
Deposits and guarantees received	24,900			24,900	24,900
Bank overdrafts	47			47	47
Accrued interest not due	85,582			85,582	85,582
Total financial liabilities excluding trade accounts payable	3,690,365	2,381	1,367	3,694,113	4,334,878
Total trade and other financial payables (see note 3.22)	246,618			246,618	246,618
Total financial liabilities as per IAS 39	3,936,983	2,381	1,367	3,940,731	4,581,496

(in € thousands)	As of December 31, 2011				
	Liabilities at amortized cost	Liabilities held for trading	Derivatives qualified as hedging	Carrying amount	Fair value
Borrowings: current and non-current portions	3,701,228			3,701,228	4,199,754
Hedging derivatives		1,984	991	2,975	2,975
Central government advances	17,318			17,318	17,318
Deposits and guarantees received	24,670			24,670	24,670
Bank overdrafts	1,298			1,298	1,298
Accrued interest not due	93,005			93,005	93,005
Total financial liabilities excluding trade accounts payable	3,837,519	1,984	991	3,840,494	4,339,020
Total trade and other financial payables (see note 3.22)	199,374			199,374	199,374
Total financial liabilities as per IAS 39	4,036,893	1,984	991	4,039,868	4,538,394

Deposits and guarantees received correspond mainly to payments received from toll road toll subscribers. These payments are reimbursed in the event of the cancellation of the subscription, after the card or badge is returned. They are considered to be demand deposits and therefore are not discounted.

The fair value of all financial liabilities other than borrowings is equal to their carrying amount.

3.22 Trade and other accounts payable

<i>(in € thousands)</i>	December 31, 2012	December 31, 2011
Advances and down payments received on orders	17,393	20,396
Trade accounts payable	103,627	104,375
Due to suppliers of non-current assets	85,239	64,877
Other financial payables	40,358	9,725
Total trade and other financial payables (1)	246,618	199,373
Taxes and payroll costs	135,031	126,585
Prepaid income	23,301	23,371
Total non-financial payables	158,331	149,956
Total trade and other accounts payable	404,949	349,330

(1) Financial liabilities stated at amortized cost

As trade and other accounts payable are very short-term, their carrying amount approximates fair value.

3.23 Contingent liabilities

Claims and litigation

In the normal course of their business, group companies are involved in a certain number of claims and legal proceedings. As of December 31, 2012, Sanef considers that no claims or litigation relating to its business are in progress that would be likely to have a material adverse effect on its results of operations or financial position (other than those risks for which provisions have been recognized in the financial statements).

Individual right to training (DIF)

Pursuant to Act No. 2004-391 voted on May 4, 2004 concerning professional training, the Group's French companies grant their employees the right to benefit from a minimum of 20 hours of training per calendar year. This benefit may be cumulated and accrued over a six-year period, at the end of which it is limited to 120 hours in case of non-utilization. Expenses related to utilization of these benefits are recognized as such when the employer and employee decide upon the type of training to be received.

As of December 31, 2012, the total number of hours of training accumulated on vested rights in respect of the DIF represented 290,155 hours (296,964 hours as of December 31, 2011).

“1% countryside development” contribution (Engagement 1% paysage)

Under the French government’s countryside development policy, for toll road sections to be constructed or under construction, the group contributes to the expenditure required to ensure that the toll road blends harmoniously into the local landscape, provided that the local authorities concerned contribute an equivalent amount.

<i>(in € thousands)</i>	December 31, 2012	December 31, 2011
“1% countryside development” contribution	1,832	1,832

“1% countryside development” expenditure is made under the government policy described in a note dated December 12, 1995 on the environment and the economic development of regions served by the toll roads and major trunk roads. This expenditure is defined as follows in the concession agreement specifications: “For toll roads that are due to be built or are already under construction, the concession operator shall contribute to the expenditure needed to ensure that the toll road blends harmoniously into the landscape, in the interests of both local inhabitants and toll road users. Such expenditure shall include maintenance costs and the cost of any necessary landscaping work, and may be incurred beyond the toll road’s boundaries. The concession operator’s contribution shall not exceed 0.5% of the cost of the engineering structures, provided that the local authorities concerned contribute an equivalent amount, on the basis prescribed by the French government” (*Article 12.10*).

However, the local authorities’ contribution may be claimed only if a government decree is issued listing the toll road work. When the concession operator applies for investment grants based on this list, the work concerned becomes eligible for the “1% countryside development” scheme and the company becomes committed to paying a contribution.

Guarantees given

Sanef has given guarantees totaling €2,500 thousand to a bank to participate in the electronic toll collection project for the beltway around Dublin. Together with an additional €10,000 thousand demand guarantee (parent company guarantee), the total exposure on this contract amounted to €12,500 thousand at December 31, 2012 (€10,000 thousand at December 31, 2011).

Sanef provided two guarantees totaling €2,300 thousand in favor of Eurotoll in connection with contracts entered into with Ecotrans, the Italian toll road network (unchanged relative to December 31, 2011). In connection with the future ecotax in France and following the signing by Eurotoll of a framework agreement with a tag service provider and manufacturer, Sanef is guaranteeing the payment to this company of orders placed by Eurotoll for a total of €18,195 thousand as of December 31, 2012. This guarantee will be reduced as orders are taken and paid by Eurotoll.

In addition, Eurotoll gave a bank guarantee of €350 thousand on behalf of Ecomouv’, the consortium charged with implementing the ecotax.

Sanef also provided a €2,864 thousand guarantee (unchanged relative to December 31, 2011) to a bank in connection with the ETC by satellite project in Slovakia.

In addition, Sanef provided €3,000 thousand in guarantees and counter-guarantees on behalf of A’Liénor, the concessionaire for the A65 (€3,356 thousand at December 31, 2011).

The consolidation of the sanef-its subgroup from October 1, 2012 led the Sanef Group to set up or assume bank guarantees totaling €6,336 thousand as of December 31, 2012. The most significant of these guarantees, for €3,790 thousand (\$5,000 thousand), is related to the Port Mann contract in Vancouver, Canada and was provided to the public concession operator of this bridge, Transportation Investment Corporation (TI Corp.). An

additional parent company guarantee in the amount of €5,188 thousand (CAD 6,185 thousand) was also provided to TI Corp.

Guarantees totaled €54,714 thousand as of December 31, 2012 (€18,887 thousand as of December 31, 2011).

Guarantees received

Sanef Group companies had received bonds and guarantees on contracts for a total of €30,665 thousand as of December 31, 2012 (€37,345 thousand as of December 31, 2011).

3.24 *Management of financial risks and derivative instruments*

3.24.1 *Market risks*

Of the various types of market risk (interest rate risk, currency risk, and market risk on listed equities), Sanef is primarily exposed to interest rate risk.

The Group would be exposed to fair value risk in the event that the portion of Sanef's borrowings at fixed rates was bought on the market, while floating-rate borrowings could impact future financial results.

Borrowing rates prior to hedging are broken down as follows:

<i>(in € thousands)</i>	As of December 31, 2012	As of December 31, 2011
Fixed or adjustable rate	3,300,592	3,462,531
Floating rate	261,925	238,697
Total	3 562,517	3,701,228

Analysis of borrowing rates, after hedging by interest rate swaps:

<i>(in € thousands)</i>	As of December 31, 2012	As of December 31, 2011
Fixed or adjustable rate	2,934,474	3,108,942
Floating rate	628,043	592,286
Total	3,562,517	3,701,228

A significant portion of the Sanef Group's financial liabilities are at fixed rates. As shown in the table above, a small portion of these borrowings has been converted to floating rates using interest rate swaps. These swaps function as fair value hedges of the loans they cover.

All things considered, Sanef has only a limited risk of its financial expenses increasing should interest rates go up as the Group has contracted caps and collars to allow it to limit the impact of any rise in interest rates. Caps were not eligible for hedge accounting. Collars directly hedging the risk of any rise in interest rates on the floating rate debt are classified as cash-flow hedges on the hedged borrowings. Collars used to hedge the floating rate debt following the implementation of the swaps cannot, however, be designated as hedging instruments, and changes in their fair value are recognized through profit or loss for the year.

Analysis of the hedging swaps as of December 31, 2012:

<i>(in € thousands)</i> Expiration	Market value as of December 31, 2012	Sanef receives fixed rate	Sanef pays floating rate	Nominal value
Early 2013	274	2.572%	3-month Euribor	50,000
Mid 2014	2,134	3.805 %	3-month Euribor	43,000
End of 2015	3,379	4.078 %	3-month Euribor	32,000
Early 2017	14,376	4.036 %	3-month Euribor	100,000
	6,647	3.316 %	3-month Euribor	58,000
	6,307	3.601 %	3-month Euribor	50,000
Total	33,117			333,000

As of December 31, 2011:

<i>(in € thousands)</i> Expiration	Market value as of December 31, 2011	Sanef receives fixed rate	Sanef pays floating rate	Nominal value
Early 2013	921	2.572%	3-month Euribor	50,000
Mid 2014	2,747	3.805%	3-month Euribor	43,000
End of 2015	3,277	4.078%	3-month Euribor	32,000
Early 2017	11,856	4.036%	3-month Euribor	100,000
	4,835	3.316%	3-month Euribor	58,000
	4,865	3.601%	3-month Euribor	50,000
Total	28,501			333,000

The fair value of Sanef's debt is sensitive to changes in interest rates insofar as a portion of this debt is at a fixed rate. A decrease in interest rates increases fair value, and an increase in interest rates decreases fair value. The variance between the fair value of the portion of the debt that is at a fixed rate and its carrying amount would only be taken to profit or loss if Sanef decided to make advance repayments of this debt, in order to respond to market opportunities.

Analysis of the value of Sanef's caps as of December 31, 2012:

<i>(in € thousands)</i> Expiration	Market value as of December 31, 2012	Interest rate	Nominal value
Mid 2014	17	Cap 1.50% E3M at 0.226% flat	43,000
Mid 2014	30	Cap 1.50% E3M at 0.17% flat	50,000
Mid 2014	12	Cap 1.50% E3M at 0.16% flat	25,000
Mid 2014	19	Cap 1.00% E3M at 0.1175% flat	50,000
End of 2014	27	Cap 1.00% E3M at 0.16% flat	54,000
TOTAL	105		222,000

As of December 31, 2011:

<i>(in € thousands)</i> Expiration	Market value at December 31, 2011	Interest rate	Nominal value
Early 2012	2	Cap 1.50% E3M at 0.26% flat	32,000
Early 2012	0	Cap 1.50% E3M at 0.215% flat	43,000
Mid 2012	0	Cap 1.50% E3M at 0.28% flat	5,000
Mid 2012	2	Cap 1.50% E3M at 0.265% flat	45,000
Mid 2012	16	Cap 1.50% E3M at 0.235% flat	100,000
Mid 2012	5	Cap 1.50% E3M at 0.393% flat	50,000
End of 2012	5	Cap 1.50% E3M at 0.21% flat	50,000
End of 2012	6	Cap 1.50% E3M at 0.51% flat	50,000
End of 2012	2	Cap 2.00% E3M at 0.342% flat	54,000
TOTAL	38		429,000

Analysis of collars contracted by Sanef as of December 31, 2012:

- Collars qualifying for hedge accounting:

<i>(in € thousands)</i> Expiration	Market value as of December 31, 2012	Interest rate	Nominal value
Early 2013	(114)	Collar 2.75% / 1.60% E3M at 0.20% flat	50,000
End of 2013	(232)	Collar 2.75% / 1.50% E3M at 0.23% flat	25,000
End of 2013	(232)	Collar 2.20% / 1.50% E3M at 0.176% flat	25,000
End of 2013	(315)	Collar 2.25% / 1.50% E3M at 0.13% flat	25,000
End of 2013	(315)	Collar 2.225% / 1.50% E3M at prime flat	25,000
<i>Early 2014 (*)</i>	<i>(160)</i>	<i>Collar 2.25% / 0.80% E3M at 0.03% flat</i>	<i>25,000</i>
TOTAL	(1,368)		175,000

() These collars were contracted prior to December 31, 2012, but only come into effect during 2013.*

- Collars not qualifying for hedge accounting:

<i>(in € thousands)</i> Expiration	Market value as of December 31, 2012	Interest rate	Nominal value
Early 2013	(60)	Collar 2.50% / 1.50% E3M at 0.285% flat	54,000
Early 2013	(78)	Collar 2.50% / 1.50% E3M at 0.216% flat	43,000
Early 2013	(30)	Collar 2.60% / 1.50% E3M at 0.20% flat	32,000
Mid 2013	(386)	Collar 2.60% / 1.50% E3M at 0.2475% flat	50,000
Mid 2013	(386)	Collar 2.26% / 1.50% E3M at 0.12% flat	50,000
End of 2013	(602)	Collar 2.25% / 1.50% E3M at 0.09% flat	54,000
End of 2013	(602)	Collar 2.13% / 1.50% E3M at prime flat	54,000
Early 2014 (*)	(236)	Collar 2.25% / 0.90% E3M at 0.05% flat	32,000
TOTAL	(2,380)		369,000

(*) These collars were contracted prior to December 31, 2012, but only come into effect during 2013.

As of December 31, 2011:

- Collars qualifying for hedge accounting:

<i>(in € thousands)</i> Expiration	Market value as of December 31, 2011	Interest rate	Nominal value
End of 2012 (*)	(174)	Collar 2.75% / 1.60% E3M at 0.15% flat	50,000
Early 2013 (*)	(183)	Collar 2.75% / 1.60% E3M at 0.20% flat	50,000
End of 2013 (*)	(158)	Collar 2.75% / 1.50% E3M at 0.23% flat	25,000
End of 2013 (*)	(155)	Collar 2.20% / 1.50% E3M at 0.176% flat	25,000
End of 2013 (*)	(150)	Collar 2.25% / 1.50% E3M at 0.13% flat	25,000
End of 2013 (*)	(150)	Collar 2.225% / 1.50% E3M at prime flat	25,000
Early 2014 (*)	(21)	Collar 2.25% / 0.80% E3M at 0.03% flat	25,000
TOTAL	(991)		225,000

(*) These collars were contracted prior to December 31, 2011, but only come into effect during 2012.

- Collars not qualifying for hedge accounting:

<i>(in € thousands)</i> Expiration	Market value as of December 31, 2011	Interest rate	Nominal value
Early 2013 (*)	(277)	Collar 2.50% / 1.50% E3M at 0.285% flat	54,000
Early 2013 (*)	(232)	Collar 2.50% / 1.50% E3M at 0.216% flat	43,000
Early 2013 (*)	(163)	Collar 2.60% / 1.50% E3M at 0.20% flat	32,000
Mid 2013 (*)	(311)	Collar 2.60% / 1.50% E3M at 0.2475% flat	50,000
Mid 2013 (*)	(308)	Collar 2.26% / 1.50% E3M at 0.12% flat	50,000
End of 2013 (*)	(323)	Collar 2.25% / 1.50% E3M at 0.09% flat	54,000
End of 2013 (*)	(321)	Collar 2.13% / 1.50% E3M at prime flat	54,000
Early 2014 (*)	(49)	Collar 2.25% / 0.90% E3M at 0.05% flat	32,000
TOTAL	(1,984)		369,000

(*) These collars were contracted prior to December 31, 2011, but only come into effect during 2012.

Sensitivity of income and equity to changes in interest rates:

The sensitivity of interest flows for the floating rate instruments was calculated by taking into account all variable flows on non-derivative and derivative instruments. The analysis was prepared assuming that the amount of debt and financial instruments on the statement of financial position as of December 31 of both 2012 and 2011 remain constant over one year.

<i>(in € thousands)</i>	2012				2011			
	Earnings		Equity		Earnings		Earnings	
	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease
Floating rate debt	(1,355)	1,355	-	-	(1,210)	1,210	-	-
Interest rate hedges (swaps and some collars)	(1,665)	1,218	464	(447)	(1,776)	1,741	728	(813)
Interest rate derivatives (caps and some collars) not eligible for hedge accounting	1,221	(1,886)	-	-	1,551	(1,678)	-	-

A 50 basis point change in interest rates at the end of the reporting period would have resulted in an increase (decrease) in equity and earnings in the amounts indicated above. For the purposes of this analysis, all other variables are presumed to remain constant.

In addition, the Sanef Group has very little exposure to currency risk on transactions stemming from its normal course of business. However, the acquisition of the sanef-its technologies group has slightly increased the

Group's exposure to currency risk, particularly relative to the US dollar (USD) and the Canadian dollar (CAD) at December 31, 2012, though this exposure remains limited.

Its financial debt is denominated solely in euros, with the exception of a \$350 thousand revolving loan. Sanef's income and expenses are likewise all denominated and paid in euros.

3.24.2 Credit risk

Credit risk represents the risk of financial loss to Sanef should a customer or counterparty to a financial instrument default on its contractual obligations.

The carrying amount of its financial assets, shown below, indicates maximum exposure to credit risk:

<i>(in € thousands)</i>	Note	December 31, 2012	December 31, 2011
Loans to affiliates	3.15	71,767	69,503
Loans	3.15	1,666	1,631
Derivatives	3.15	33,118	28,501
Deposits and guarantees	3.15	874	663
Trade and other financial receivables	3.16	198,309	166,661
Current financial assets	3.15	22,235	19,500
Cash and cash equivalents	3.17	44,278	76,255
Total		372,247	362,714

As of December 31, 2012, Sanef had trade and other accounts receivable totaling €198 million (€166 million as of December 31, 2011) and cash of around €44 million (€76 million as of December 31, 2011). These amounts indicate a very low exposure to credit risk, especially in view of the quality of the Group's customers and counterparties and the fact that all operating receivables are paid in cash or settled very quickly.

Sanef invests its surplus cash and enters into interest rate swaps and other derivatives only with leading financial institutions.

3.24.3 Liquidity risk

Liquidity risk is defined as the risk of a company not being able to honor payments on its borrowings or other commitments.

With the exception of capital expenditures, financing needs are not sufficiently material to make any borrowing difficulties likely.

Sanef's primary financial debt (syndicated loan, loans from CNA and BNP/Dexia) is subject to covenants on the following two ratios:

- net debt/EBITDA
- EBITDA/net financial expenses.

As of December 31, 2012 and December 31, 2011 Sanef was in compliance with both covenants.

Analysis of borrowings by maturity:

Year	< 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	> 5 years	Total
2013	437,446						437,446
2014		394,429					394,429
2015			387,228				387,228
2016				337,517			337,517
2017					342,809		342,809
2018						595,144	595,144
2019						10,000	10,000
2020						244,587	244,587
2021						208,611	208,611
2022						250,894	250,894
2023						347,938	347,938
2024						5,914	5,914
December 31, 2012	437,446	394,429	387,228	337,517	342,809	1,663,088	3,562,517
December 31, 2011	274,228	435,102	391,298	383,896	333,784	1,882,919	3,701,227

As Sanef's financial debt all falls due prior to the expiration of its concession contract, and thanks to the predictability of its operating and investment cash flows, the Group will be able to obtain refinancing. At present, the Group cannot foresee any problems with its ability to obtain funding.

(in € millions)	Note	Carrying amount	Contractual cash-flows	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	> 5 years
Non-derivative financial liabilities								
Financial debt	3.21	3,648.1	4,538.0	526.5	92.9	552.7	1,394.4	1,971.5
Advances from French central government and regional agencies	3.21	17.3	17.3	17.3				
Deposits, guaranties and other financial debts	3.21	24.9	24.9	24.9				
Trade accounts payable	3.22	206.2	206.2	206.2				
Other current liabilities	3.22	40.4	40.4	32.4	8.0			
Derivative financial liabilities								
Interest rate derivatives	3.21	3.7	4.4	2.7	1.6	0.1		
Total flows		4,831.2	810.0	102.5	552.8	1,394.4	1,971.5	
Flows from interest rate derivatives recorded under assets		(39.6)	(10.4)	(0.9)	(9.2)	(19.1)		
Total flows after hedging		4,791.6	799.6	101.6	543.6	1,375.3	1,971.5	

3.25 Related parties

Sanef has not engaged in any commercial transactions with its shareholder, HIT, or the shareholders of that company. Equity-method and proportionally consolidated companies are presented in note 3.1.

As of December 31, 2012, the Group's loan to Alis (including €3.1 million in VAT) amounted to €34.9 million (€34.2 million as of December 31, 2011) and bore interest at a rate of 6%. The Group also has a €7 million shareholder advance (€6.5 million as of December 31, 2011) at 7%, and €2.1 million (excluding VAT) (€2.3 million as of December 31, 2011) in operating receivables payable in annual installments of €176.4 thousand through 2028.

As of December 31, 2012, the Sanef Group had a €18.5 million receivable from A'Liénor (€17.1 million as of December 31, 2011).

The table below shows the remuneration and similar benefits, on a full-year basis, granted by Sanef and the companies that it controls to persons who, during the year 2012 or at the balance sheet date, are members of the Executive Committee or the Board of Directors of the Group:

<i>(in € millions)</i>	2012
Remuneration	2.4
Payroll taxes	1.0
Post-employment benefits	0.2
Other long term benefits	-
Termination benefits	-
Share-based payments (*)	0.1

(*) amount determined in accordance with IFRS 2 Share-based payment- cf note 2.15.

Total of these senior management staff costs amounted to €3.7 million in 2012.

Termination benefits for 2012 are included in the lines remuneration and payroll taxes.

The attendance fees paid in 2012 amounted to € 249 thousand.

3.26 Segment data

Segment data by contribution of each segment to the Sanef Group consolidated financial statements:

<i>(in € thousands)</i>	Sanef	SAPN	SEA 14	SUB-TOTAL Toll road concessions	Other	Sanef Group
Revenue (exc. construction)	1,080,803	355,208	-	1,436,011	59,469	1,495,480
EBITDA	744,098	245,036	450	989,584	8,780	998,364
EBITDA margin	68.8%	69.0%	-	68.9%	14.8%	66.8%
Operating income, net	518,488	143,341	450	662,279	7,902	670,181

EBITDA is net operating income before depreciation, amortization and provisions.

3.27 *Events after the end of the reporting period*

No material event has occurred subsequent to the end of the reporting period.



December 4, 2013

Indiana Finance Authority
One North Capitol Avenue,
Suite 900 Indianapolis,
Indiana 46204
Attention: Ms. Silvia Perez

Dear Sirs,

We hereby certify that there were no other material changes in financial condition of Sanef SA apart from the one stated below for (i) the past three years and for (ii) the period starting Jan. 1 2013 up to the date of SOQ, (iii) and we do not expect any other material changes up to Dec. 31, 2013:

- Credit rating of Holding d'Infrastructures de Transport (HIT), parent company of Sanef SA, was downgraded by Moody's in November 2012 from Baa2 to Baa3.

This confirmation is provided to you for the purpose of the Louisville-Southern Indiana Ohio River Bridges Project Joint Board's request for qualification.

Sincerely,



M. François GAUTHEY
Chief Executive Officer